

## EXHIBIT 241

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UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION

-----X

IN RE: NATIONAL PRESCRIPTION ) Case No.  
OPIATE LITIGATION ) 1:17-MD-2804  
APPLIES TO ALL CASES ) Hon. Dan A. Polster

-----X

HIGHLY CONFIDENTIAL - SUBJECT TO FURTHER  
CONFIDENTIALITY REVIEW

VIDEOTAPED DEPOSITION OF BLAINE M. SNIDER

WASHINGTON, D.C.

THURSDAY, NOVEMBER 8, 2018

8:34 A.M.

Reported by: Leslie A. Todd

1           Deposition of BLAINE M. SNIDER, held at the  
2           offices of:

3

4

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COVINGTON & BURLING, LLP

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One City Center

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Washington, DC 20001-4956

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Pursuant to notice, before Leslie Anne Todd,  
Court Reporter and Notary Public in and for the  
District of Columbia, who officiated in  
administering the oath to the witness.

1 A P P E A R A N C E S

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24

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10	MCKESSON-SNIDER DEPOSITION EXHIBITS	PAGE
11	No. 1 Drug Operations Manual, Exhibit	
12	P1.1555 through P1.1555.137	35
13	No. 2 E&C U.S. House of Representatives	
14	Committee on Energy and Commerce,	
15	Exhibit P1.264 through P1.264.9	59
16	No. 3 Letter from Drug Enforcement	
17	Administration, September 27,	
18	2006, Exhibit P1.1464 through	
19	P1.1464.4	73
20	No. 4 Beyond Boundaries, National	
21	Operations Conference 2007,	
22	Exhibit P1.1830 through P1.1830.9	83
23	No. 5 E-mail re November LDMP, Exhibit	
24	P1.1864 through P1.1864.3	90



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3 MCKESSON-SNIDER DEPOSITION EXHIBITS PAGE

4 No. 6 McKesson Operations Manual for  
 5 Pharma Distribution, Exhibit  
 6 P1.1333 through P1.1333.6 117

7 No. 7 E-mail string re CSMP contribution,  
 8 DCM call, Tightening up our  
 9 increase process, Exhibit P1.1679  
 10 through P1.1679.3 133

11 No. 8 McKesson's Controlled Substance  
 12 Monitoring Program, Regulatory  
 13 Affairs Training, Exhibit P1.795  
 14 through P1.795.51 137

15 No. 9 Document re "Understand ARCOS Data,"  
 16 Exhibit P1.1568 through P1.1568.2 149

17 No. 10 Letter from Hyman, Phelps &  
 18 McNamara to Linden Barber, Exhibit  
 19 P1.1829 through P1.1829.7 156

20 No. 11 McKesson CSMP "Red Flags," Exhibit  
 21 P1.1146 through P1.1146.8 163

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3 MCKESSON-SNIDER DEPOSITION EXHIBITS PAGE

4 No. 12 Letter from the House of  
 5 Representatives, Committee on  
 6 Energy and Commerce to John H.  
 7 Hammergren, dated February 15,  
 8 2018, Exhibit P1.44 through P1.44.14 180

9 No. 13 Documents re Mace's Pharmacy,  
 10 Exhibit P1.1824 through P1.1824.91 188

11 No. 14 U.S. Census Bureau 2010 Demographic  
 12 Profile Data, Exhibit P1.1892  
 13 through P1.1892.5 199

14 No. 15 Threshold Change Forms, Exhibit  
 15 P1.1782 through P1.1782.8 221

16 No. 16 Documents re Best Care Pharmacy,  
 17 Exhibit P1.1812 through P1.1812.72 229

18 No. 17 Document re Weston, West Virginia,  
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20 No. 18 Documents re Lumberport Pharmacy,  
 21 Exhibit P1.1821 through P1.1821.20 267

22 No. 19 Document re Lumberport, West  
 23 Virginia, Exhibit P1.1908 272

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4 No. 20 Documents re Belington Pharmacy,  
 5 Exhibit P1.1822 through P1.1822.18 286

6 No. 21 Press release titled Pharmacist  
 7 Charged with Illegal Distribution  
 8 of Painkillers, Exhibit P1.1251  
 9 through P1.1251.2 296

10 No. 22 McKesson Northeast Region-Buffalo/  
 11 New Castle, June 2014 Monthly  
 12 Report, Exhibit P1.1794 through  
 13 P1.1794.5 309

14 No. 23 E-mail string re Status of  
 15 Threshold Change Request for  
 16 Martella's Pharmacy (Conemaugh/  
 17 Martella's), Exhibit P1.1900  
 18 through P1.1900.3

19 No. 24 (number not used)

20 No. 25 (number not used)

21 No. 26 E-mail string re Account #861446  
 22 Account Name Martella's Pharmacy,  
 23 Exhibit P1.1842 through P1.1842.2 313

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 5 Threshold Change Request for  
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12 No. 29 McKesson's Controlled Substance  
 13 Monitoring Program Regulatory  
 14 Investigative Report, Exhibit  
 15 P1.1902 through P1.1902.5 335

16 No. 30 Press Release entitled Johnstown  
 17 Pharmacist Charged in 109-Count  
 18 Indictment with Illegally  
 19 Creating Bogus Prescriptions and  
 20 then Dispensing the Drugs, Exhibit  
 21 P1.1905 through P1.1905.2 340

22 No. 31 Indictment in re United States of  
 23 America v. Joseph M. Martella,  
 24 Exhibit P1.1904 through P1.1904.10 343

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4 No. 32 E-mail re 2014 NSC Regulatory  
 5 Update to DC Ops, Exhibit P1.1434  
 6 through P1.1434.30 349

7 No. 33 E-mail string re New Pharmacy,  
 8 Stowe, OH, Exhibit P1.1896 through  
 9 P1.1896.5 354

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 11 Specialists, Exhibit P1.1877  
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13 No. 35 E-mail string re CSMP - Acme,  
 14 Exhibit P1.1870 through P1.1870.4 361

15 No. 36 E-mail string re Acme 1/11/13  
 16 CSMP, Exhibit P1.1874 through  
 17 P1.1874.2 375

18 No. 37 Chart, Exhibit P1.1907 378

19 No. 38 McKesson's Controlled Substance  
 20 Monitoring Program Regulatory  
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3 MCKESSON-SNIDER DEPOSITION EXHIBITS PAGE

4 No. 39 Akron Beacon Journal/Ohio.com  
 5 article, Stow pain clinic closing  
 6 after court upholds sexual  
 7 imposition conviction against  
 8 doctor accused of abusing patients,  
 9 Exhibit P1.1895 through P1.1895.2 388

10 No. 40 Google page showing Acme Pharmacy,  
 11 Exhibit P1.1911 through P1.1911.2 391

12 No. 41 Documents re Giant Eagle Pharmacy,  
 13 Exhibit P1.1814 through P1.1814.7 394

14 No. 42 Documents re Giant Eagle 0217,  
 15 Exhibit P1.1827 through P1.1827.16 402

16 No. 43 Documents re Giant Eagle 0357,  
 17 Exhibit P1.1811 through P1.1811.13 406

18 No. 44 E-mail string re Giant Eagle CSMP  
 19 Thresholds, Exhibit P1.1866 through  
 20 P1.1866.14 411

21 No. 45 Documents re Giant Eagle 0465,  
 22 Exhibit P1.1777 through P1.1777.24 418

23 No. 46 Documents re Giant Eagle 0230,  
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3 MCKESSON-SNIDER DEPOSITION EXHIBITS PAGE

4 No. 47 Documents re Giant Eagle 4030,  
 5 Exhibit P1.1839 through P1.1839.5 427

6 No. 48 Documents re Giant Eagle 0209,  
 7 Exhibit P1.1817 through P1.1817.8 431

8 No. 49 E-mail string re Pain mgt, Exhibit  
 9 P1.1841 through P1.1841.4 433

10 No. 50 E-mail string re Suspicious Order  
 11 Monitoring Awareness Training,  
 12 Exhibit P1.1775 through P1.1775.2 439

13 No. 51 E-mail string re Monthly Drug Usage  
 14 Report - March, Exhibit P1.1876  
 15 through P1.1876.2 443

16 No. 52 McKesson DEA Tri-annual checklist,  
 17 Bates MCK\_00002614 through 00002617 459

18 No. 53 Photograph, Bates MCKMDL00649081 464

19 No. 54 Photograph, Bates MCKMDL00649080 464

20 No. 55 Photograph, Bates MCKMDL00649077 464

21 No. 56 Photograph, Bates MCKMDL00649075 464

22 No. 57 Photograph, Bates MCKMDL00649074 464

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4 No. 60 Photograph, Bates MCKMDL00649076 464

5 No. 61 Photograph, Bates MCKMDL00649072 464

6 No. 62 Photograph, Bates MCKMDL00649070 464

7 No. 63 McKesson Operations Manual, DEA

8 General Policies / Requirements,

9 Bates MCKMDL00534074 through

10 00534091 476

11 No. 64 Controlled Substance Compliance

12 Processes (CSCP), Bates

13 MCKMDL00531288 through 00531302 478

14 No. 65 McKesson Operations Manual,

15 ARCOS Reporting, Bates MCKMDL00354474

16 through 00354491 483

17 No. 66 McKesson Operations Manual,

18 ARCOS/Controlled Drug Inventory

19 Procedures, Bates MCKMDL00329091

20 through 00329111 484

21 No. 67 DEA letter to Covington &amp; Burling,

22 dated November 4, 2014, Bates

23 MCKMDL00409453 through 00409458 493

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2 (Attached to transcript)

3 MCKESSON-SNIDER DEPOSITION EXHIBITS PAGE

4 No. 68 E-mail string re Missing HBC Tote,

5 Bates MCKMDL00598574 through

6 00598578 497

7 No. 69 Documents re Summit County, Exhibit

8 P1.1889 through P1.1889.31 509

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1 P R O C E E D I N G S

2 -----

3 THE VIDEOGRAPHER: We are now on the  
4 record. My name is Daniel Holmstock. I am the  
5 videographer for Golkow Litigation Services.  
6 Today's date is November 8, 2018, and the time on  
7 the screen is 8:34 a.m.

8 This deposition is being held at the law  
9 offices of Covington & Burling, LLP, at 850  
10 10th Street, Northwest, in Washington, D.C., in  
11 the matter of In Re: National Prescription Opiate  
12 Litigation. It is pending before the United  
13 States District Court for the Northern District of  
14 Ohio, Eastern Division.

15 The deponent today is Mr. Blaine Snider.  
16 Counsel will be noted on the  
17 stenographic record. The court reporter is Leslie  
18 Todd, who will now administer the oath.

19 BLAINE M. SNIDER,  
20 and having been first duly sworn,  
21 was examined and testified as follows:

22 CROSS EXAMINATION

23 BY MR. BOGLE:

24 Q Can I get your full name, sir?

1           A       Blaine Matthew Snider.

2           Q       And am I correct that you're currently  
3       employed with McKesson?

4           A       Yes.

5           Q       Okay. And have you ever been deposed  
6       before?

7           A       No.

8           Q       Okay. Just a few basic ground rules  
9       that might help both of us here today. I'm going  
10       to be asking you some questions, and if you don't  
11       understand the question I ask or don't hear it,  
12       it's perfectly okay for you to ask me to repeat or  
13       rephrase the question. Okay?

14          A       Okay.

15          Q       If you need a break at any point in  
16       time, just let me know or your counsel know.  
17       Happy to take a break whenever you need it. All  
18       I'd ask is if I've got a question pending, that  
19       you answer that question, and then we can break  
20       for whenever you want.

21                   And also I'm going to ask you questions,  
22       you're going to provide answers. I'd ask that we  
23       try not to talk over each other. So I'll ask my  
24       question, try to give you ample opportunity to

1       answer before I ask my next question. Is that  
2       fair?

3               A       Okay.

4               Q       Okay. And how long have you been with  
5       McKesson?

6               A       Almost 40 years.

7               Q       Okay. Am I correct that you currently  
8       hold the director of operations position at the  
9       New Castle Distribution Center?

10              A       Yes.

11              Q       Okay. How long have you held that  
12       specific position?

13              A       Eighteen -- eighteen years.

14              Q       Okay. What was your job at McKesson  
15       prior to that?

16              A       I was distribution center manager in  
17       Sewickley, Pennsylvania, and North Canton, Ohio.

18              Q       Okay. How long did you have that role?

19              A       About three years.

20              Q       How about prior to that?

21              A       I was operations manager in Cincinnati,  
22       Ohio, and North Canton previous to that.

23              Q       How long did you hold that position?

24              A       Oh, I can't remember now. Eight, ten

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1       years, I guess.

2               Q       Okay. What was your job prior to that  
3       at McKesson, just the title?

4               A       I started as a supervisor almost 40  
5       years ago.

6               Q       Okay. So would it be fair to say, just  
7       doing the rough math here, that you have nearly 30  
8       years of experience as a distribution center  
9       operations manager at McKesson?

10              A       Yes.

11              Q       Okay. Now, McKesson itself as an entity  
12       has, as I understand it, 37 distribution centers  
13       around the country; is that right?

14                      MR. COLLINS: Objection to the form.

15                      THE WITNESS: I can't answer to -- it  
16       sounds like you're including med-surg or something  
17       else. I know there's 28 distributions centers for  
18       U.S. pharma.

19       BY MR. BOGLE:

20              Q       Okay. And New Castle is one of those 28  
21       distribution centers for U.S. pharma, correct?

22              A       Yes.

23              Q       And just so I understand, as director of  
24       operations for New Castle, it would be your

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1       general responsibility to run the day-to-day  
2       operations for the facility, correct?

3               MR. COLLINS:  Objection.  Form.

4               THE WITNESS:  I'm in charge of the  
5       facility, yes.

6       BY MR. BOGLE:

7               Q     Right.  So it's fair to say that you're  
8       the highest ranking McKesson employee at New  
9       Castle that has responsibility exclusive to that  
10      distribution center, right?

11              MR. COLLINS:  Objection to form.

12              THE WITNESS:  Well, I'm not sure.  I  
13      have a VP/GM I report to, but I run the  
14      distribution center.

15      BY MR. BOGLE:

16              Q     Who do you report to?

17              A     Brian Ferreira, the VP/GM.

18              Q     When it comes to decisions specific to  
19      the operations of New Castle, would it be fair to  
20      say that the buck stops with you?

21              MR. COLLINS:  Objection to form, vague.

22              THE WITNESS:  I don't think so.

23      BY MR. BOGLE:

24              Q     Okay.  Who do you think the buck stops

1 with at New Castle?

2 MR. COLLINS: Same objection.

3 THE WITNESS: I don't know the buck. I

4 know I'm in charge of the distribution center

5 operations, and I have a boss who is the VP/GM.

6 BY MR. BOGLE:

7 Q Okay. When you say you're responsible

8 for distribution center operations, what do you

9 think that that -- that entails?

10 A In charge of the distribution center and

11 the employees, and the pick, pack and ship of that

12 operations.

13 Q When you say "pick, pack and ship," what

14 does that mean?

15 A The day-to-day filling of orders for our

16 customers out of the New Castle DC.

17 Q Okay. And when it comes to pills that

18 are distributed from New Castle, you would agree

19 with me that it's your ultimate responsibility to

20 make sure that those go to the proper customers

21 for the proper purpose.

22 MR. COLLINS: Objection. Compound,

23 form.

24 THE WITNESS: We make sure the orders

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1 are correct, accurate, billed correctly, shipped  
2 correctly, on time.

3 BY MR. BOGLE:

4 Q And your job responsibilities also  
5 include, when it comes to controlled substances,  
6 making sure that the customers purchasing are  
7 purchasing for a legitimate medical purpose,  
8 correct?

9 MR. COLLINS: Objection. Form, calls  
10 for a legal conclusion, lacks foundation.

11 THE WITNESS: I can't say for the  
12 customers all the time. I can say that I follow  
13 the Code of Federal Regulations.

14 BY MR. BOGLE:

15 Q Okay. And part of the Code of Federal  
16 Regulations, when it comes to the Controlled  
17 Substances Act, talks about the distributor's  
18 responsibility to ensure that they're supplying  
19 drugs to customers who are buying it for a  
20 legitimate medical purpose, right?

21 MR. COLLINS: Objection. Form, asked  
22 and answered --

23 THE WITNESS: Can you repeat that?

24 MR. COLLINS: -- calls for a legal



1 conclusion.

2 Please let me finish my objections.

3 BY MR. BOGLE:

4 Q When it comes to the Controlled  
5 Substances Act, you understand that part of that  
6 act requires that controlled substances that are  
7 distributed to customers are being provided for a  
8 legitimate medical purpose, correct?

9 MR. COLLINS: Objection. Form, calls  
10 for a legal conclusion.

11 THE WITNESS: I can't --

12 MR. COLLINS: Foundation.

13 THE WITNESS: I can't say a legitimate  
14 medical purpose. I don't know that phrase. I'm  
15 sorry.

16 BY MR. BOGLE:

17 Q You've never heard that phrase?

18 A No.

19 Q Okay. You're a member of management at  
20 the distribution center for New Castle, right?

21 A Yes.

22 MR. COLLINS: Objection to form.

23 BY MR. BOGLE:

24 Q And the distribution center management

1 at McKesson has the full responsibility for  
2 ensuring the proper distribution of controlled  
3 substances, correct?

4 MR. COLLINS: Objection to form, calls  
5 for a legal conclusion, vague.

6 THE WITNESS: Can you repeat the  
7 question, please?

8 MR. BOGLE: Can you repeat back, Court  
9 Reporter?

10 (Whereupon, the requested record  
11 was read.)

12 MR. COLLINS: Same objections.

13 THE WITNESS: I believe so, yes.

14 BY MR. BOGLE:

15 Q Okay. And that's a job you take  
16 seriously, right?

17 A Yes.

18 Q Okay. Just make sure you speak up a  
19 little bit. I'm having sometimes a little trouble  
20 hearing you.

21 A Okay.

22 Q Is that "yes"?

23 A Yes.

24 Q Okay. Your pay structure at McKesson,

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1 do you receive bonuses?

2 A Yes.

3 Q Okay. How are those bonuses determined?  
4 What criteria is used?

5 MR. COLLINS: Objection to form.

6 THE WITNESS: It's based on operational  
7 performance and employee engagement.

8 BY MR. BOGLE:

9 Q Okay. When it comes to operational  
10 performance, does that include the amount of  
11 products sold by the distribution center during a  
12 year?

13 MR. COLLINS: Objection to form, vague.

14 THE WITNESS: No.

15 BY MR. BOGLE:

16 Q Okay. What's included?

17 A It would be productivity, quality,  
18 on-time delivery, customer satisfaction, employee  
19 engagement, as I mentioned before, and then those  
20 are rounded together.

21 Q What's included within productivity?

22 MR. COLLINS: Objection to form.

23 THE WITNESS: There's lines per hour, we  
24 call it.

1 THE REPORTER: Lines?

2 THE WITNESS: Lines per hour. Sorry.

3 BY MR. BOGLE:

4 Q What does "lines per hour" mean?

5 A How many lines we do in an hour, and  
6 then there's quality defects per million  
7 opportunities to make sure we have an accurate  
8 order, filled complete and -- and accurately.

9 Q So is it your testimony that total  
10 revenues for the distribution center play no role  
11 in your bonus?

12 MR. COLLINS: Objection to form.  
13 Foundation.

14 THE WITNESS: Correct.

15 BY MR. BOGLE:

16 Q You would agree with me that protecting  
17 the health and safety of the public is the most  
18 important consideration for any distributor of  
19 pharmaceutical products, correct?

20 MR. COLLINS: Objection. Form,  
21 foundation, calls for a legal conclusion, argue --

22 MR. BOGLE: I believe you're supposed to  
23 just --

24 MR. COLLINS: Argumentative.

1 MR. BOGLE: -- stick to form objections.

2 You're going beyond that considerably here.

3 MR. COLLINS: No, my objection is  
4 legitimate. Your question wasn't. So my  
5 objection stands. It's the form, calls for a  
6 legal conclusion --

7 MR. BOGLE: I believe the protocol calls  
8 for just form objections. Not speaking objections  
9 beyond that.

10 MR. COLLINS: We have a phone here if  
11 you want to make a call to the special master.

12 MR. BOGLE: Well, we can see if this  
13 continues. We may have to.

14 MR. COLLINS: Listen, it's a proper  
15 objection. Your question wasn't.

16 MR. BOGLE: I don't want to stop ten  
17 minutes in.

18 BY MR. BOGLE:

19 Q I'll ask my question again.

20 Do you believe that protecting the  
21 health and safety of the public is the most  
22 important consideration for a distributor of  
23 pharmaceutical products?

24 MR. COLLINS: Same objections. Form,

1 calls for a legal conclusion, foundation.

2 THE WITNESS: I can't answer to all the  
3 health and safety of the public. I can answer to  
4 the Code of Federal Regulations and my duties.

5 BY MR. BOGLE:

6 Q Okay. So do you believe that compliance  
7 with the Federal Regulations is the most important  
8 consideration for a distributor of pharmaceutical  
9 products like McKesson?

10 MR. COLLINS: Objection to form.

11 THE WITNESS: I think it's a part of it.

12 BY MR. BOGLE:

13 Q Okay. Any more important part that you  
14 can think of?

15 MR. COLLINS: Same objections. Form,  
16 foundation.

17 THE WITNESS: Well, people.

18 BY MR. BOGLE:

19 Q People, what do you mean by that?

20 A My employees.

21 Q Okay. What about the people that you're  
22 supplying the controlled substances to ultimately,  
23 the end user?

24 MR. COLLINS: Object --

1 BY MR. BOGLE:

2 Q Do you think you have any responsibility  
3 to those people?

4 MR. COLLINS: Objection. It's a  
5 mischaracterization, lacks foundation, form.

6 THE WITNESS: I mentioned before about  
7 on-time, accurate delivery to my customers.

8 BY MR. BOGLE:

9 Q Okay. So you think you have any  
10 responsibility to the -- the end user, the person  
11 who's purchasing from your customer?

12 MR. COLLINS: Objection to form, calls  
13 for speculation.

14 THE WITNESS: I think I mentioned that  
15 before. Yes.

16 BY MR. BOGLE:

17 Q Okay. And as to the ultimate purchaser,  
18 the person who's going to go to your -- to the  
19 pharmacy and purchase the drug, do you think that  
20 McKesson has a responsibility to protect the  
21 health and safety of those people?

22 MR. COLLINS: Same objections. Asked  
23 and answered, form.

24 THE WITNESS: I can't answer for all of

1 McKesson. I can just answer for New Castle.

2 BY MR. BOGLE:

3 Q Sure. Then I'll rephrase it that way.  
4 Do you think New Castle has such a responsibility?

5 MR. COLLINS: Same objections.

6 THE WITNESS: I don't -- can you repeat  
7 the question?

8 BY MR. BOGLE:

9 Q Sure.

10 Do you think New Castle has a  
11 responsibility for the health and safety of the  
12 end user purchasing controlled substances  
13 distributed by McKesson?

14 MR. COLLINS: Objection to form.

15 THE WITNESS: I can't say that I can  
16 control that.

17 BY MR. BOGLE:

18 Q Okay. I didn't ask if control. I asked  
19 if you had responsibility.

20 MR. COLLINS: Objection to form.

21 THE WITNESS: I can't be responsible for  
22 someone that purchases drugs.

23 BY MR. BOGLE:

24 Q Okay. So you think you have no



1 responsibility for ensuring that people are  
2 purchasing for legitimate medical purposes?

3 MR. COLLINS: Objection to form,  
4 argumentative. Calls for a legal conclusion.

5 THE WITNESS: I can't answer to that.

6 BY MR. BOGLE:

7 Q You don't know?

8 A I can't answer to that.

9 Q Okay. When you say you can't answer  
10 that, what -- what's keeping you from answering  
11 that?

12 A I don't know.

13 Q Okay. Have you heard of the term  
14 "diversion" when it comes to controlled  
15 substances?

16 A Yes.

17 Q What does that term mean to you?

18 A It's in the supply chain where the  
19 product could be diverted. Like inbound trucks  
20 that come in, sometimes those are hijacked, or in  
21 the building to make sure security is there.  
22 There's a chance for diversion there. And in the  
23 truck drivers, there's a chance for diversion  
24 there. And to make sure that that supply chain is

1 intact.

2 Q Okay. So you talked about ways that  
3 diversion can occur, but before we get there, what  
4 do you understand the term "diversion" to mean?  
5 When somebody diverts something when it comes to  
6 controlled substances, what does that mean to you?

7 A Loss of controlled substance.

8 Q Loss of product?

9 A Yes.

10 Q Okay. Have you ever heard the term  
11 "diversion" used to mean the use of a controlled  
12 substance for an illegitimate purpose?

13 A No.

14 Q Never heard of that concept?

15 A No.

16 Q Okay. You've talked a couple of times  
17 about compliance with Federal Regulations, and  
18 that you're familiar with the Controlled  
19 Substances Act, correct?

20 MR. COLLINS: Objection. Lacks  
21 foundation, calls for a legal conclusion.

22 THE WITNESS: Is that the Code of  
23 Federal Regulations?

24 BY MR. BOGLE:

1           Q     I'm just asking if you're familiar with  
2     the Controlled Substances Act.

3           A     I'm not sure.

4           Q     You're not -- have you ever heard that  
5     phrase used, Controlled Substances Act?

6           A     No.

7           Q     Never heard that?

8           A     No.

9           Q     Okay. So is that -- have you ever read  
10    any portion of that act in conjunction with your  
11    responsibilities at McKesson?

12          A     I would have to see it. I'm not sure it  
13    was called the Controlled Substance Act. I just  
14    know the Code of Federal Regulations.

15          Q     Okay. Do you have any familiarity as to  
16    whether the Controlled Substances Act was -- was  
17    and is designed to prevent diversion of controlled  
18    substances like opioids?

19               MR. COLLINS: Objection. Calls for a  
20    legal conclusion, form.

21               THE WITNESS: I can't answer to that. I  
22    don't know.

23    BY MR. BOGLE:

24          Q     Are you familiar with SOP 55? Ever

1 heard of that?

2 A No.

3 Q Okay. And SOP, I'm referring to  
4 Standard Operating Procedure, 55. Does that help  
5 at all?

6 A I don't call it that.

7 Q Okay.

8 A I'm not familiar with that.

9 Q Okay. I'm going to hand you what I'm  
10 marking as -- it's labeled as Exhibit 1.1555,  
11 being marked as Snider Exhibit 1.

12 (Snider Exhibit No. 1 was marked  
13 for identification.)

14 MR. BOGLE: There's yours, and there's  
15 an extra there too.

16 BY MR. BOGLE:

17 Q Okay. Do you see at the top here, it  
18 says "Drug Operations Manual 55/Controlled  
19 Substances"?

20 Do you see that at the top?

21 A Yes.

22 Q Okay. And below that it's got some  
23 text. I want to read from the very beginning  
24 under A where it says "General."

1 Do you see that section?

2 A Yes.

3 MR. COLLINS: I'm sorry. Can you --

4 THE WITNESS: At the top?

5 BY MR. BOGLE:

6 Q Yes. Correct.

7 It says below that -- well, actually,  
8 before we get there, does this jog your memory at  
9 all about SOP 55 within McKesson?

10 MR. COLLINS: Objection to form.

11 THE WITNESS: No. We don't call it  
12 that.

13 BY MR. BOGLE:

14 Q Okay.

15 A It's the Drug Operations Manual.

16 Q Okay. So you're familiar with the Drug  
17 Operations Manual?

18 A Yes.

19 Q Okay. So have you seen this document  
20 before?

21 A Yes.

22 Q You have. Okay.

23 Now, it says below "General": "The aim  
24 of the Controlled Substances Act is to prevent

1 diversion of abusable substances into the illicit  
2 traffic while ensuring their availability for  
3 legitimate medical purposes."

4 Do you see that?

5 A Yes.

6 Q Do you agree with that statement?

7 MR. COLLINS: Objection. Form.

8 THE WITNESS: I see it. I agree that  
9 it's there.

10 BY MR. BOGLE:

11 Q Okay. Do you have an understanding as  
12 to whether that's a correct statement?

13 A I can't answer --

14 MR. COLLINS: Object -- I'm sorry,  
15 please let me object.

16 Assumes facts not in evidence,  
17 foundation, form.

18 BY MR. BOGLE:

19 Q You don't know whether that's a correct  
20 statement or not; is that your testimony?

21 A I can't --

22 MR. COLLINS: Same objections.

23 THE WITNESS: I can't answer to that.

24 BY MR. BOGLE:

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1 Q Why? Is it because you don't know?

2 MR. COLLINS: Objection. Argumentative,  
3 form.

4 BY MR. BOGLE:

5 Q I'm just trying to understand why you  
6 can't answer.

7 A I don't understand the question.

8 Q Okay. So I read the first sentence here  
9 to you, and my question was, do you think that's  
10 an accurate statement as to the aim of the  
11 Controlled Substances Act?

12 MR. COLLINS: Objection. Form,  
13 foundation.

14 THE WITNESS: I see it on there, and I  
15 see -- think it's accurate on 7/2000.

16 BY MR. BOGLE:

17 Q Okay. Do you think that's an accurate  
18 statement today as to the Controlled Substances  
19 Act?

20 A I don't know that.

21 Q You don't know either way?

22 A I don't know. I can't answer to how the  
23 change -- how it's changed. It's an evolving  
24 program, and this was -- the Drug Operations

1 Manual was trained and evolved over time to meet  
2 the needs and changes of the regulations.

3 Q So looking at that paragraph, the last  
4 sentence there says: "It is extremely important  
5 that McKesson employees comply fully with the  
6 regulations and the following guidelines," and  
7 then there is a discussion of the guidelines  
8 thereafter.

9 Do you see that sentence?

10 A Yes.

11 Q Okay. Do you agree that it's extremely  
12 important for McKesson to comply specifically with  
13 the Controlled Substances Act?

14 MR. COLLINS: Objection. Form,  
15 foundation, calls for a legal conclusion.

16 THE WITNESS: I agree that it's  
17 extremely important that McKesson employees comply  
18 fully with the regulations and the following  
19 guidelines, yes.

20 BY MR. BOGLE:

21 Q Okay. And those regulations include the  
22 Controlled Substances Act, right?

23 MR. COLLINS: Objection.  
24 Mischaracterization, form.



1 THE WITNESS: Yes.

2 BY MR. BOGLE:

3 Q Do you have an understanding that  
4 McKesson's responsibilities under the Controlled  
5 Substances Act include having effective controls  
6 against diversion?

7 MR. COLLINS: Objection to form,  
8 foundation.

9 THE WITNESS: In my distribution center,  
10 yes, we had effective controls against diversion.

11 MR. BOGLE: Move to strike as  
12 nonresponsive.

13 BY MR. BOGLE:

14 Q That's not my question. We'll get  
15 there. I'm asking you questions that I think is  
16 before we get there.

17 My question is, do you agree that  
18 McKesson's responsibilities under the Controlled  
19 Substances Act include having effective controls  
20 against diversion?

21 MR. COLLINS: Objection. The question  
22 was just asked. He just answered. He's not here  
23 as a 30(b)(6) witness, so he is not answering on  
24 behalf of McKesson.

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1 BY MR. BOGLE:

2 Q You can answer.

3 A I can answer for my distribution center,  
4 and it stands, yes.

5 Q Okay. Yes, that you understand that  
6 your responsibilities at New Castle include having  
7 effective controls against diversion, right?

8 A Yes.

9 Q Okay. And part of having effective  
10 controls against diversion include monitoring for  
11 suspicious controlled substance orders, right?

12 A Depends on what period and what you're  
13 calling "monitoring."

14 Q Okay. Well, we'll start with a period.  
15 What period of time do you think that  
16 the responsibilities at New Castle did not include  
17 monitoring for suspicious controlled substances  
18 orders?

19 MR. COLLINS: Objection. Form.  
20 Mischaracterization.

21 THE WITNESS: I can't answer that for my  
22 40 years. I didn't always know that when I first  
23 started. So I think your question has to be more  
24 specific so I can respond to it.

1 BY MR. BOGLE:

2 Q Okay. Well, you've been director of  
3 operations at New Castle you said for 18 years,  
4 right?

5 A Yes.

6 Q So let's focus on those 18 years.

7 A Okay.

8 Q So from 2000 to 2018, is there any point  
9 in time in that 18-year window where you believe  
10 that New Castle's responsibilities did not include  
11 monitoring for suspicious controlled substance  
12 orders?

13 A No.

14 Q Okay. So we can agree during that  
15 window those responsibilities existed at your  
16 facility, right?

17 A What's the question, please? I'm sorry.

18 Q That your responsibilities from 2000 to  
19 2018 at New Castle included monitoring for  
20 suspicious orders, that was part of your job too,  
21 right?

22 A Yes.

23 Q And part of your job from 2000 to 2018  
24 at New Castle also included reporting orders to

1 the DEA that were deemed to be suspicious, right?

2 A Yes.

3 Q And if a suspicious order was identified  
4 during that 18-year time period, it was not  
5 supposed to be shipped, right?

6 MR. COLLINS: Objection. Form, legal  
7 conclusion, foundation.

8 THE WITNESS: Can you repeat the  
9 question?

10 BY MR. BOGLE:

11 Q Sure.

12 A Because there's different forms of the  
13 Controlled Substance Monitoring Program.

14 Q Okay. Well, I'll make it as specific as  
15 possible. From 2000 to 2018 at New Castle, if you  
16 identified a suspicious order for an opioid  
17 product, you would agree with me that that order  
18 should not be shipped, right?

19 MR. COLLINS: Objection. Form,  
20 foundation, assumes facts not in evidence, and  
21 calls for a legal conclusion.

22 THE WITNESS: I can't answer that.

23 BY MR. BOGLE:

24 Q You don't know at all?

1           A       I don't know.

2           Q       Okay. Is that not part of your job?

3                   MR. COLLINS: Objection. Argue --

4       BY MR. BOGLE:

5           Q       During that time period?

6                   MR. COLLINS: Objection. Argumentative  
7       and compound. Form.

8                   THE WITNESS: Is what not part of my  
9       job?

10       BY MR. BOGLE:

11           Q       For ensuring that suspicious orders were  
12       not shipped.

13                   MR. COLLINS: Objection. Calls for a  
14       legal conclusion, asked and answered.

15                   THE WITNESS: Yes, my job was to follow  
16       the regs here.

17       BY MR. BOGLE:

18           Q       Right. I'm talking about a specific  
19       portion of those, which is that suspicious orders  
20       should not be shipped.

21                   MR. COLLINS: Object --

22       BY MR. BOGLE:

23           Q       And my question was simply, from 2000 to  
24       2018 as director of operations for New Castle, you

1 would agree with me that if you guys found a  
2 suspicious order for a controlled substance, you  
3 weren't supposed to ship it, right?

4 MR. COLLINS: Objection. Argumentative,  
5 assumes facts not in evidence. It's a  
6 mischaracterization of this document.

7 MR. BOGLE: I'm not talking about the  
8 document -- just to be clear, I'm not talking  
9 about this document.

10 MR. COLLINS: Oh, I'm sorry.

11 MR. BOGLE: I'm talking generally.

12 MR. COLLINS: Objection to form.

13 THE WITNESS: I can't answer that, no.

14 BY MR. BOGLE:

15 Q You don't know?

16 A No.

17 Q Okay. So as you sit here today, if you  
18 identify a suspicious order at New Castle, do you  
19 ship it for a controlled substance?

20 MR. COLLINS: Objection. Calls for a  
21 hypothetical.

22 THE WITNESS: I can't answer that. I  
23 don't know what I'd do today. What -- I don't  
24 understand suspicious order, what you're --

1 BY MR. BOGLE:

2 Q You don't --

3 A No, you're -- you're generalizing, and I  
4 can't answer a general question about every order  
5 that we've shipped.

6 Q I'm not asking about every order that  
7 you've shipped. I'm asking about suspicious  
8 orders.

9 Have you ever heard the term "suspicious  
10 order" as it pertains to controlled substance?

11 A Yes.

12 Q What do you understand that to mean?

13 A An order that has -- over time it's  
14 evolved to what it means according to the DEA. So  
15 at first it was an order above an average or a  
16 norm. That's what I understand it -- understood  
17 it to be in the year 2000.

18 Q Okay. And how has that understanding  
19 evolved from your perspective? What do you  
20 understand that to mean?

21 MR. COLLINS: Objection. Vague, form.

22 THE WITNESS: To report unusual or  
23 suspicious orders.

24 BY MR. BOGLE:

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1           Q     Right. And also to not ship them. Just  
2     to report them is not enough, right?

3           MR. COLLINS: Objection. Argumentative,  
4     asked and answered, calls for a legal conclusion,  
5     and it's a mischaracterization of his prior  
6     testimony.

7           THE WITNESS: No.

8     BY MR. BOGLE:

9           Q     You can answer. "No" to what?

10          A     Your question.

11          Q     Okay. So if you find a suspicious order  
12     at New Castle, you understand that at all points  
13     in time from 2000 to 2018, you weren't supposed to  
14     ship it, right?

15          MR. COLLINS: Objection. Asked and  
16     answered.

17                 Do you have another line of questioning?

18          MR. BOGLE: I haven't got --

19          MR. COLLINS: This has been asked and  
20     answered multiple times.

21          MR. BOGLE: You can state a form  
22     objection. That's what you're allowed to state.

23          MR. COLLINS: Listen, I'm trying to --

24          MR. BOGLE: I'm going to ask my



1 question. He can answer my question. There's a  
2 question pending.

3 MR. COLLINS: I'm going to finish my  
4 objection, if you don't mind.

5 Objection to form, calls for a legal  
6 conclusion, asked and answered, and  
7 mischaracterization.

8 BY MR. BOGLE:

9 Q You can answer.

10 A Can you repeat the question?

11 Q Sure. From 2000 to 2018, if you  
12 identified a suspicious order at New Castle, you  
13 would agree with me that your responsibility was  
14 not to ship that order, right?

15 MR. COLLINS: Same objections. Lack of  
16 foundation, form, assumes facts not in evidence,  
17 calls for a legal conclusion.

18 THE WITNESS: I would not agree with  
19 you.

20 BY MR. BOGLE:

21 Q Okay. So you think it's okay to ship a  
22 suspicious order once you've identified it?

23 MR. COLLINS: Objection. Argumentative.

24 BY MR. BOGLE:

1           Q     I'm just trying to make sure I  
2     understand your testimony.

3           MR. COLLINS:  Objection.  
4     Mischaracterization.

5           THE WITNESS:  Can you repeat the  
6     question, please?

7     BY MR. BOGLE:

8           Q     Okay.  From 2000 to 2018, was there ever  
9     a point in time that you felt it was okay to ship  
10    a suspicious order that you identified at New  
11    Castle?

12          MR. COLLINS:  Objection.  Form, calls  
13    for a legal conclusion, foundation.

14          THE WITNESS:  It depends on the context  
15    of the program.

16    BY MR. BOGLE:

17          Q     How?

18          A     It -- it's the unusual purchase  
19    notification program.  At the early stages, it was  
20    an average -- it was evolved over time.  So I  
21    can't say that something was identified as -- I  
22    believe in here it was called unusual purchases,  
23    that we didn't ship it but we notified the DEA.

24          Q     Okay.  And I guess I'm still not clear

1 on -- on where you stand on this point.

2 Can you identify me any point in time  
3 from 2000 to 2018 where you feel that at New  
4 Castle it was okay to ship an order you had  
5 identified as suspicious?

6 MR. COLLINS: Objection to form, vague,  
7 calls for a legal conclusion, mischaracterization,  
8 and asked and answered.

9 THE WITNESS: If the format of 2000 to,  
10 I believe, 2006, we identified unusual purchases  
11 to the DEA, and then shipped it after notifying  
12 the DEA.

13 BY MR. BOGLE:

14 Q Okay. And starting in 2006, did you  
15 continue shipping suspicious orders that you had  
16 identified?

17 A No.

18 Q Okay. And why did that change in 2006  
19 at New Castle?

20 A We develop -- I think it was 2006 or '7,  
21 we developed a new program. Because on this  
22 program, 2000 to 2006, we faxed unusual purchases  
23 to the DEA every day so they could look at it, and  
24 we sent monthly programs to them. And in 2006 or

1 '7, I don't remember which, the program even got  
2 more robust and data driven.

3 Q Where did you have the understanding  
4 that from 2000 to 2006 it was okay to ship  
5 suspicious orders that you had identified?

6 MR. COLLINS: Objection to form. Calls  
7 for a legal conclusion.

8 THE WITNESS: I think you're putting  
9 words into my mouth, which you're calling unusual  
10 or suspicious purchases. We notified the DEA that  
11 something was above the average.

12 BY MR. BOGLE:

13 Q Well, I'm sorry, I wasn't trying to put  
14 words in your mouth. I thought that's what you  
15 just said.

16 A I -- I --

17 Q Okay. So from 2000 to 2006 -- I'll ask  
18 it again to make sure we're on the same page.

19 A Okay.

20 Q From 2000 to 2006, if at your New Castle  
21 facility you identified a suspicious order, did  
22 you -- were you under the understanding it was  
23 okay to ship that order?

24 MR. COLLINS: Objection to the use of

1       the word "okay." Calls for a legal conclusion,  
2       and asked and answered.

3                   THE WITNESS: No.

4       BY MR. BOGLE:

5           Q       It was not okay to do that.

6           A       No.

7           Q       Okay. So -- and when it comes to due  
8       diligence at the distribution center level at New  
9       Castle, you understand that the distribution  
10      center had the responsibility to investigate and  
11      review thoroughly threshold change requests,  
12      right?

13                  MR. COLLINS: Objection. Form, vague,  
14      time frame, calls for a legal conclusion.

15                  THE WITNESS: What -- I'm sorry. What  
16      was the question? What years?

17      BY MR. BOGLE:

18           Q       At all points in time, from 2000 to  
19      2018, at the distribution center level --  
20      actually, strike that. Let me back up.

21                  Threshold change requests, that process  
22      was developed starting in '07, right?

23           A       Yes.

24           Q       Okay. So let me rephrase the time

1 period.

2 From '07 to present, at the distribution  
3 center level, there was -- there was and is a  
4 responsibility to thoroughly investigate and  
5 review threshold change requests, right?

6 MR. COLLINS: Objection. Form, calls  
7 for a legal conclusion, foundation.

8 THE WITNESS: The threshold change  
9 requests were handled by -- we did the independent  
10 in the distribution center from 2006 to '7, and  
11 then the national accounts handled the thresholds  
12 for national accounts, and sometimes we did the  
13 hospitals also or long-term care.

14 BY MR. BOGLE:

15 Q Okay. You recall my question?

16 A Did I review thresholds was I thought  
17 your question.

18 Q Thoroughly investigate and review --

19 MR. COLLINS: Objection.

20 BY MR. BOGLE:

21 Q -- from '07 to 2018.

22 MR. COLLINS: Objection. Form,  
23 argumentative, calls for a legal conclusion,  
24 foundation.

1 THE WITNESS: I did not thoroughly  
2 investigate all, and I mentioned the national  
3 accounts and some of the hospitals.

4 BY MR. BOGLE:

5 Q Okay. So you mentioned independent  
6 pharmacies, I think, were within the distribution  
7 center purview when it comes to threshold change  
8 requests, right?

9 A Yes.

10 Q Okay. So when I asked you about  
11 thoroughly investigating and reviewing threshold  
12 change requests, certainly for any pharmacy that  
13 was within the DC's responsibility, you would  
14 thoroughly investigate and review those, right?

15 MR. COLLINS: Objection to form. Calls  
16 for a legal conclusion.

17 THE WITNESS: I think you're twisting  
18 it. I said "independent," and it's kind of coming  
19 out national and the hospital, and I didn't always  
20 investigate those because we had national accounts  
21 and hospital experts, and the DRAs did those.

22 BY MR. BOGLE:

23 Q I'm just asking as to any accounts that  
24 you were responsible for reviewing at the

1 distribution center level, would you thoroughly  
2 investigate and review those threshold change  
3 requests?

4 A Yes.

5 Q Okay. And you understand that was part  
6 of your responsibility, right?

7 A Yes.

8 Q Okay. And you understand from the New  
9 Castle's perspective from 2000 to 2018 that your  
10 distribution center had a responsibility not just  
11 to monitor but to also prevent diversion of  
12 opioids, right?

13 MR. COLLINS: Objection. Form. Legal  
14 conclusion.

15 THE WITNESS: We prevented diversion of  
16 all our controlled substances.

17 BY MR. BOGLE:

18 Q You knew that was your responsibility,  
19 right?

20 A Can you repeat the question? I --

21 Q Right. From 2000 to 2018, you knew at  
22 all times that your distribution center had  
23 responsibility for not just monitoring but also  
24 preventing diversion of controlled substances,



1 right?

2 A Yes.

3 Q Okay. And you would agree that during  
4 that time period, you, as a distribution center,  
5 had to be proactive in carrying out that  
6 responsibility, right?

7 MR. COLLINS: Objection to the form,  
8 vague, calls for a legal conclusion.

9 THE WITNESS: I'm always trying to be  
10 proactive in all the business dealings and  
11 everything I do. That's kind of a general  
12 statement, but I hope I'm proactive.

13 BY MR. BOGLE:

14 Q And you understood that's what was  
15 expected of your distribution center and all  
16 distribution centers by the DEA, right?

17 MR. COLLINS: Objection. Foundation,  
18 form, vague.

19 THE WITNESS: Well, I understand my  
20 distribution center, it was based on "know your  
21 customer," and -- and I did that.

22 BY MR. BOGLE:

23 Q And the "know your customer" program is  
24 part of being proactive in trying to prevent

1 diversion, right? Getting out there and getting  
2 to know your customer, completing questionnaires  
3 and knowing what activities your customer was  
4 engaged in, right?

5 A As much as possible, yes.

6 Q And you have an understanding that  
7 diversion of controlled substances, including  
8 opioids, can be prevented by way of compliance  
9 with the Controlled Substances Act, right?

10 MR. COLLINS: Objection. Form, calls  
11 for a legal conclusion.

12 THE WITNESS: I think it helps.

13 BY MR. BOGLE:

14 Q Okay. So would you agree that if New  
15 Castle complies with the Controlled Substances  
16 Act, that goes a long way in preventing diversion  
17 of opioids, right?

18 MR. COLLINS: Objection to the form,  
19 vague, calls for a legal conclusion.

20 THE WITNESS: I think it helps.

21 BY MR. BOGLE:

22 Q Do you agree there is currently an  
23 opioid epidemic in this country?

24 A Yes.

1                   Q     And do you agree that the diversion of  
2     controlled substances is a cause of that epidemic?

3                   MR. COLLINS:  Objection.  Calls for a  
4     legal conclusion.  Foundation.

5                   THE WITNESS:  You keep using the word  
6     "diversion."  In the control of McKesson New  
7     Castle, I believe if there were diversion, that  
8     would not help the opioid crisis.

9     BY MR. BOGLE:

10                  Q     All right.  And the opioid crisis that  
11     we are dealing with today, do you understand was  
12     caused, in part, by diversion of controlled  
13     substances?

14                  MR. COLLINS:  Objection.  Form, calls  
15     for a legal conclusion, lack of foundation.

16                  THE WITNESS:  I don't know that.

17     BY MR. BOGLE:

18                  Q     You don't know.

19                         Are you aware that opioid overdoses are  
20     the leading cause of injury-related death in the  
21     United States?

22                  MR. COLLINS:  Objection.  Form.

23                  THE WITNESS:  No, I'm not.

24     BY MR. BOGLE:

1           Q     Okay. I'm going to hand you what I'm  
2     marking as Exhibit 1.264, also marked as Snider  
3     Exhibit 2.

4                     (Snider Exhibit No. 2 was marked  
5                     for identification.)

6           MR. COLLINS: Thank you.

7     BY MR. BOGLE:

8           Q     Do you see here, to introduce the  
9     document, at the top it says "E&C, U.S. House of  
10    Representatives, Committee on Energy and  
11    Commerce."

12                    Do you see that?

13          A     Yes.

14          Q     And it's dated May 4, 2018?

15          A     Yes.

16          Q     And do you -- below that it says:  
17    "Regarding hearing entitled 'Combatting the Opioid  
18    Epidemic,' examining concerns about distribution  
19    and diversion."

20                    Do you see that?

21          A     Yes.

22          Q     Okay. And if you go to the second page  
23    of this document, the paragraph below the chart  
24    that starts with "The U.S. continues." Do you see

1       that?

2               A       Yes.

3               Q       It says: "The U.S. continues to  
4       experience an opioid epidemic which has worsened  
5       over the last two decades. Opioid-involved  
6       overdose deaths are the leading cause of injury  
7       death in the U.S. and take the lives of 115  
8       Americans per day."

9                       Do you see that?

10              A       Yes.

11              Q       Have you ever seen or heard of that stat  
12       before?

13                      MR. COLLINS: Objection. Foundation.

14                      THE WITNESS: No.

15       BY MR. BOGLE:

16              Q       Any reason to dispute that?

17                      MR. COLLINS: Objection. Foundation,  
18       form, asked and answered.

19                      THE WITNESS: I couldn't say.

20       BY MR. BOGLE:

21              Q       Okay. It goes on to say: "According to  
22       a recent report issued by the Centers for Disease  
23       Control and Prevention, prescription or illicit  
24       opioids were involved in nearly two-thirds of all

1 drug overdose deaths in the U.S. during 2016, a  
2 27.7 percent increase from 2015."

3 Do you see that?

4 A Yes.

5 Q And it says: "In total, more than  
6 351,000 people have died since 1999 due to an  
7 opioid-involved overdose. The crisis has become  
8 so severe that the average life expectancy  
9 declined in 2016 from the previous year largely  
10 because of opioid overdoses."

11 Do you see that?

12 A Yes.

13 Q Okay. Have you ever heard that before,  
14 that the life expectancy in this country has  
15 declined largely because of opioid overdoses?

16 MR. COLLINS: Objection. Form,  
17 foundation.

18 THE WITNESS: No.

19 BY MR. BOGLE:

20 Q That's news to you?

21 MR. COLLINS: Objection. Argumentative.

22 THE WITNESS: Yes.

23 BY MR. BOGLE:

24 Q Let's go back to Exhibit 1 of the Drug

1       Operations Manual. Now, this manual you  
2       understand was put in place in the year 2000,  
3       right?

4               A       Yes.

5               Q       Okay. And it existed until 2007, when  
6       the Lifestyle Drug Monitoring Program went into  
7       place, right?

8               A       Yes.

9               Q       Okay. And just to finish working  
10       through that calendar, the Lifestyle Drug  
11       Monitoring Program existed for about a year, from  
12       2007 to 2008, right?

13              A       Yes.

14              Q       Okay. In 2008, McKesson employs the  
15       Controlled Substances Monitoring Program, which  
16       has existed in some form from 2008 to today,  
17       right?

18              A       Yes.

19              Q       Okay. When you worked at other  
20       distribution centers prior to 2000, was there any  
21       standard operating procedure in place for the  
22       monitoring of controlled substances at McKesson?

23              A       I don't remember --

24              Q       Okay.

1           A       -- in the North Canton or Cincinnati.

2           Q       Okay.

3           A       We thought of diversion as loss within  
4       the distribution center, doctor adulteration or  
5       that kind of thing.

6           Q       So prior to 2000 when you worked at  
7       other distribution centers, the notion of  
8       individuals abusing opioids was not something that  
9       was a consideration from diversion; is that true?

10          A       Hadn't really heard much about it that I  
11       knew of.

12          Q       Okay. Now, the Drug Operations Manual  
13       and the portions that pertained to controlled  
14       substances, it was mandatory for McKesson  
15       employees, including yourself, to comply with all  
16       aspects of that manual, correct?

17          A       Yes.

18          Q       Now, during the time that -- from 2000  
19       to 2007, would the New Castle Distribution Center  
20       receive what were called suspicious order warning  
21       reports?

22          A       Yes. It was either unusual purchase  
23       order reports or suspicious, I don't remember  
24       which.



1           Q     Okay. And just so we're -- we're  
2     speaking the same language here, if you can go in  
3     Exhibit 1 to page 0.29.

4           MR. COLLINS: I'm sorry. Can you give  
5     that to me again?

6           MR. BOGLE: .29. Should be a number.

7           MR. COLLINS: Where are you reading?

8           MR. BOGLE: .29 is at the top right.

9           MR. COLLINS: Oh, at the top right.

10          MR. BOGLE: Yeah.

11     BY MR. BOGLE:

12          Q     Are you there, Mr. Snider?

13          A     I can't see it. Can someone help me get  
14     that?

15          THE WITNESS: Sorry.

16          MR. COLLINS: That's all right.

17     BY MR. BOGLE:

18          Q     We're going to blow it up on the screen  
19     here too as much as we can, if that helps. You  
20     obviously don't have to utilize the screen, but  
21     it's there if you need --

22          A     I got it. 1555.29.

23          Q     Yes, sir.

24          A     Okay.

1           Q     So I just want to make sure we're  
2     speaking the same language as far as terms, and  
3     we'll talk in more detail about these in a minute.

4                 But you see in the middle of the page, a  
5     little past the middle, there's a letter C, and it  
6     says: "Daily Controlled Substance Suspicious  
7     Order Warning Report," and it's referred to as  
8     DU45L500.

9           A     Yes.

10          Q     Do you see that?

11          A     Yes, I do.

12          Q     Okay. So you understand from 2000 to  
13     2007, that was one of the reports that you would  
14     have received at your distribution center, right?

15          A     Yes.

16          Q     Okay. And if you go to the next page,  
17     letter -- letter D refers to a "Monthly Controlled  
18     Substance Suspicious Purchases Report," also  
19     DU45L, this time 650. Do you see that?

20          A     Yes.

21          Q     Okay. That again would be another  
22     report that you would have received at your  
23     distribution center during the 2000 to '07 time  
24     period, right?

1           A       Yes.

2           Q       Okay. And do I understand correctly  
3       that reports -- or strike that.

4                   Do I understand correctly that orders  
5       would show up as -- on these suspicious order  
6       warning reports if the orders were three times the  
7       value that you would see from customers in your  
8       distribution center?

9           MR. COLLINS: Objection. Vague.

10           THE WITNESS: I don't remember at this  
11       time how many times it was, but they did -- orders  
12       did show up for a certain number of above a norm.

13       BY MR. BOGLE:

14           Q       Okay. So go back to page .29, and I'm  
15       in letter c.

16                   And in that first paragraph, again we  
17       read the title of the report. It says: "When an  
18       order is entered through the central system (EOE  
19       or CRT), controlled substance items are extracted  
20       (after passing through front end order processing)  
21       and compared in a subroutine to the purchases  
22       month-to-date by customer/customer average  
23       purchases, average purchases by customer class and  
24       product."

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1                   And then it goes on and says: "The same  
2       factors that are used for the customer recap  
3       variance," and it references this -- the report,  
4       "are also used for the daily controlled substance  
5       suspicious order warning report," and then it  
6       says: "3X monthly average for Schedule II and III  
7       reportables and 8X monthly averages for IIIN to  
8       Schedule V."

9                   Do you see that?

10                  A       Yes.

11                  Q       Okay. So, first of all, opioid  
12       products have always been either Schedule II or  
13       Schedule III, right?

14                  A       Yes.

15                  Q       Okay. So does this refresh your  
16       recollection that when it comes to the suspicious  
17       order warning reports you received from 2000 to  
18       2007, a customer would show up on that report if  
19       they were at three times the monthly average for  
20       other customers at your distribution center?

21                  A       Yes.

22                  Q       Okay. And that was true for the -- for  
23       the monthly report as well. That was the same  
24       criteria that was used, right?

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1           A       I would think. I'm not sure.

2           Q       Okay.

3           A       If -- if it's in here, I would -- I  
4 would agree with it.

5           Q       Well, let me ask you this: During the  
6 2000 to 2007 time period, were there any other  
7 reports that you would have reviewed to determine  
8 whether an order was potentially suspicious for a  
9 controlled substance, other than these two reports  
10 we talked about?

11                   MR. COLLINS: Objection. Vague, form.

12                   THE WITNESS: No, not a report. I just  
13 remember the daily one.

14 BY MR. BOGLE:

15           Q       I'm sorry. I don't think I understand.

16           A       The daily report and the monthly.

17           Q       Right, right.

18           A       And then we reported all ARCOS  
19 transmissions also.

20           Q       Right. And we'll get to that.

21                   But as far as reports go, we've talked  
22 about the daily and monthly suspicious order  
23 reports. Those would be the two reports you would  
24 utilize from 2000 to 2007 to potentially detect

1 suspicious orders, right?

2 A Yes.

3 Q Okay. Now, when a customer showed up on  
4 the suspicious order warning report from 2000 to  
5 2007, it was McKesson's practice at New Castle to  
6 still ship those orders, right?

7 MR. COLLINS: Objection. Form, asked  
8 and answered.

9 THE WITNESS: Yes.

10 BY MR. BOGLE:

11 Q And going back to Exhibit 1, I'm at page  
12 .30 now. About two-thirds of the way down the  
13 page, there's a big B that says "Reporting." Do  
14 you see that?

15 A Yes.

16 Q Okay. And below that it says: "With  
17 the release of the daily controlled substance  
18 suspicious order warning report, there are several  
19 significant advantages to enhance our compliance  
20 efforts."

21 And I'm looking -- the second paragraph  
22 below that, it says: "It does not rely on an  
23 individual's judgment or knowledge to determine  
24 reporting appropriateness but, rather, on

1 statistical fact."

2 Do you see that?

3 A Is that -- I'm sorry. I --

4 MR. COLLINS: I don't see it.

5 THE WITNESS: I did not see that.

6 MR. COLLINS: Where are you? I'm sorry.

7 THE WITNESS: Oh, you skipped down to  
8 the last paragraph in B?

9 MR. BOGLE: Correct.

10 MR. COLLINS: Okay. Neither he or I  
11 knew where you were quoting from.

12 THE WITNESS: Yes, I see that.

13 BY MR. BOGLE:

14 Q Okay. So, and -- and what's being  
15 referred to there is the suspicious order warning  
16 report, the benefit of that was felt to be that if  
17 you were at three times the average and you showed  
18 up on the report, it would not require judgment to  
19 assess whether those reports needed to be provided  
20 to the DEA, right?

21 MR. COLLINS: Objection. Form.  
22 Mischaracterization.

23 THE WITNESS: They were sent, yes.

24 BY MR. BOGLE:

1 Q Okay.

2 A The judgment was, yes, to send the  
3 report.

4 Q Okay. And the reports were sent, but as  
5 we talked about, the orders were sent as well,  
6 right?

7 A Yes.

8 Can I add something to that?

9 Q Go ahead.

10 A The orders sometimes were marked down  
11 and not completely sent, if we felt it was  
12 suspicious and we could check on that. For  
13 instance, customers may order 33 of something, and  
14 it would show up on the report, and they had -- we  
15 called them fat fingers, and it was just three,  
16 and we knew that because we knew the customer.

17 Q Okay. That's a -- that's a policy  
18 that's been changed, though, right? You can't  
19 modify orders --

20 A Right.

21 Q -- from the forms anymore, right?

22 A Right, back then. So we'd sign off on  
23 the report and look at it, and if there were  
24 errors on it, that we did mark down.



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1           Q     Okay. So there were blocked order  
2     reports provided to us in this litigation -- and  
3     we can talk about it in more detail later, but I  
4     want to make sure of your understanding first --  
5     that tend to indicate that from New Castle, at  
6     least for pharmacies in Summit and Cuyahoga  
7     County, that there were no reports provided to the  
8     DEA of blocked orders until August of 2013.

9                     Is that your understanding?

10                    MR. COLLINS: Objection.

11                    THE WITNESS: No.

12     BY MR. BOGLE:

13           Q     Okay. It's your understanding that you  
14     provided blocked order reports to the DEA --

15           A     I --

16           Q     -- prior to that?

17           A     I don't know a blocked order report.  
18     I'm sorry.

19           Q     That's how it was phrased and how it was  
20     given to us. You never heard of that term?

21           A     No.

22           Q     Okay. When you decided not to ship an  
23     order to a customer, reports were not provided to  
24     the DEA along those lines until about August 2013

1 as it pertains to New Castle's customers in Summit  
2 and Cuyahoga County, right?

3 MR. COLLINS: Objection. Foundation.

4 THE WITNESS: No.

5 BY MR. BOGLE:

6 Q That's not right?

7 A No.

8 Q Okay. Actually, strike that. We'll  
9 come back to that later.

10 Do you recall getting information from  
11 the DEA in 2006 stating that if a suspicious order  
12 was detected that it should not be shipped and  
13 should be reported to the DEA?

14 MR. COLLINS: Objection. Form.

15 THE WITNESS: I don't remember that,  
16 2006.

17 BY MR. BOGLE:

18 Q I'm going to hand you what I'm marking  
19 as Exhibit 1.1464, also marked as Exhibit 3.

20 (Snider Exhibit No. 3 was marked  
21 for identification.)

22 BY MR. BOGLE:

23 Q This is a letter from the U.S.  
24 Department of Justice, Drug Enforcement

1 Administration, September 27, 2006.

2 Do you see that?

3 A Yes.

4 Q Okay. Have you ever seen this letter  
5 before?

6 A No, I haven't.

7 Q You have not. Okay.

8 Communications from the DEA regarding  
9 your responsibilities at New Castle, do those  
10 generally not make their way to you?

11 MR. COLLINS: Objection. Assumes facts  
12 not in evidence, argumentative, foundation, form.

13 THE WITNESS: Yes, they made their way  
14 to us, and we would adopt -- adapt the manual and  
15 follow the SOPs and new procedures.

16 BY MR. BOGLE:

17 Q Okay. But you've never seen this  
18 letter?

19 A No, I'm sorry, I don't remember seeing  
20 it.

21 Q Well, let me ask you about a couple of  
22 things in here.

23 To start, it says: "This letter is  
24 being sent to every commercial entity in the

1 United States registered with the Drug Enforcement  
2 Administration to distribute controlled  
3 substances. The purpose of this letter is to  
4 reiterate the responsibilities of controlled  
5 substance distributors in view of the prescription  
6 drug abuse problem our nation currently faces."

7 Do you see that?

8 A Yes.

9 Q Okay. And then the third paragraph on  
10 the first page which starts with "Distributors  
11 are," do you see that sentence? It's the second  
12 sentence in that paragraph.

13 MR. COLLINS: Third paragraph, the  
14 second sentence.

15 THE WITNESS: Oh, okay.

16 BY MR. BOGLE:

17 Q It says: "Distributors are of course  
18 one of the key components of the distribution  
19 chain. If the closed system is to function  
20 properly as Congress envisioned, distributors must  
21 be vigilant in deciding whether a prospective  
22 customer can be trusted to deliver controlled  
23 substances only for lawful purposes."

24 Do you see that?

1           A       Yes.

2           Q       Do you agree with that statement?

3                   MR. COLLINS:  Objection.  Form.

4       Foundation.

5                   THE WITNESS:  Yes.

6       BY MR. BOGLE:

7           Q       It says:  "This responsibility is  
8       critical as Congress has expressly declared that  
9       the illegal distribution of controlled substances  
10      has a substantial and detrimental effect on the  
11      health and general welfare of the American  
12      people."

13                   Do you see that?

14          A       Yes.

15          Q       If you go to the second page here, I'm  
16      about three-quarters of the way down the page, the  
17      paragraph starting with "Thus."  Do you see that?

18          A       Yes.

19          Q       It says:  "Thus, in addition to  
20      reporting all suspicious orders, a distributor has  
21      a statutory responsibility to exercise due  
22      diligence to avoid filling suspicious orders that  
23      might be diverted into other than legitimate  
24      medical, scientific and industrial channels."

1 Do you see that?

2 A Yes.

3 Q Okay. But in 2006, I think we just  
4 talked about the fact that when a suspicious order  
5 was detected at your facility at least, it was  
6 filled, right?

7 MR. COLLINS: Objection. Form,  
8 foundation.

9 THE WITNESS: Not always.

10 BY MR. BOGLE:

11 Q Okay.

12 A I testified that not always. We would  
13 cut orders down on occasion.

14 Q When you thought they had fat fingers.  
15 I think that was the term you used.

16 A Or they -- yeah, or they made a mistake.

17 Q Right. But if you thought that they  
18 were ordering what they were -- intended to order,  
19 that order was filled, even though you're saying  
20 that a suspicious order report would have been  
21 provided to the DEA, right?

22 MR. COLLINS: Objection. Form.

23 THE WITNESS: If the definition is off  
24 of that report, three times or the eight times,

1       yes.

2       BY MR. BOGLE:

3               Q       Then it would have been filled, right?

4               A       Yes.

5               Q       Okay. And this letter from the DEA  
6       indicates that you shouldn't be filling those kind  
7       of prescriptions, right?

8                       MR. COLLINS: Objection.

9       BY MR. BOGLE:

10              Q       If you've identified them as suspicious.

11                     MR. COLLINS: Objection. Foundation,  
12       compound, argumentative, calls for a legal  
13       conclusion.

14                     THE WITNESS: I don't see it that way.

15       BY MR. BOGLE:

16              Q       You don't think that's what that says?

17              A       No.

18              Q       Okay. And the responsibility to avoid  
19       shipment of orders deemed suspicious by a  
20       distributor, that policy has always been in effect  
21       since the Controlled Substances Act was enacted in  
22       1970, right?

23                     MR. COLLINS: Objection. Form, assumes  
24       multiple facts, legal conclusion.

1 THE WITNESS: I can't say that. 1970,  
2 I -- I don't know that.

3 BY MR. BOGLE:

4 Q Well, do you think this -- this sentence  
5 I read to you here about avoiding filling  
6 suspicious orders was something new that was added  
7 to the regulations in '06?

8 MR. COLLINS: Objection. Calls for a  
9 hypothetical, speculation.

10 THE WITNESS: I don't know.

11 MR. COLLINS: Calls for a legal  
12 conclusion.

13 BY MR. BOGLE:

14 Q You don't know?

15 A No.

16 Q And the next paragraph down, the last  
17 sentence says: "Again, to maintain effective  
18 controls against diversion, as Section 823(e)  
19 requires, the distributor should exercise due care  
20 in confirming the legitimacy of all orders prior  
21 to filling." Right?

22 A Yes.

23 Q Okay. And you know that's not a new  
24 policy either, right?



1 MR. COLLINS: Objection.

2 BY MR. BOGLE:

3 Q In '06.

4 MR. COLLINS: Objection. Vague, calls  
5 for a legal conclusion.

6 THE WITNESS: I don't know that.

7 BY MR. BOGLE:

8 Q Okay. Do you have any disagreement that  
9 that's what the law required in '06?

10 MR. COLLINS: Objection. Calls for  
11 speculation, legal conclusion, asked and answered.

12 THE WITNESS: I have no disagreement  
13 with that it's -- that it's written there.

14 BY MR. BOGLE:

15 Q Okay. And would you agree with the  
16 notion that reporting a suspicious order to the  
17 DEA and not filling it gives the DEA the  
18 opportunity to investigate that order without  
19 having the potential of getting into the public  
20 for potential diversion?

21 MR. COLLINS: Objection, if that's a  
22 question. Calls for a legal conclusion, it's  
23 compound, it's vague.

24 BY MR. BOGLE:

1           Q     You can answer.

2                     MR. COLLINS:   And it calls for  
3     speculation.

4                     THE WITNESS:   I can't answer to that.   I  
5     don't know.

6     BY MR. BOGLE:

7           Q     Okay.   Do you think the DEA has the same  
8     ability to investigate and prevent diversion after  
9     you've filled the order versus if you hadn't  
10    filled it at all?

11                    MR. COLLINS:   Objection.   Foundation,  
12    argumentative, compound.

13                    THE WITNESS:   I know in New Castle, we  
14    had a relationship with the DEA, and I talked to  
15    them, they called me.   At one point the DEA agent  
16    in charge was my neighbor, so I knew them, and I  
17    knew if there was a problem, they would let me  
18    know.

19                    MR. BOGLE:   Move to strike as  
20    nonresponsive.

21     BY MR. BOGLE:

22           Q     My -- my question simply was, if you  
23     fill an order that you deem suspicious, then it  
24     naturally is going to be harder to the DEA to

1 prevent diversion from that suspicious order as  
2 opposed to if you had reported it and not filled  
3 it at all, right?

4 MR. COLLINS: Objection. Closing  
5 argument. Assumes facts not in evidence, calls  
6 for speculation, form, compound, vague.

7 THE WITNESS: I don't know that.

8 BY MR. BOGLE:

9 Q You don't know.

10 A No.

11 Q Okay. Are you aware that in 2006 the  
12 DEA began investigating McKesson concerning its  
13 diversion practices as it pertains to controlled  
14 substances?

15 MR. COLLINS: Objection. Form,  
16 foundation.

17 THE WITNESS: I'm aware now. Yes.

18 BY MR. BOGLE:

19 Q When you say "now," when did you become  
20 aware of that?

21 A I'm not sure.

22 Q Okay. What -- what caused you to become  
23 aware of that?

24 A McKesson. My bosses.

1           Q     Okay. Do you have any idea what year  
2     even you were made aware of that?

3           A     No, I'm not sure. I can't remember.

4           Q     Okay. I'm going to hand you what I'm  
5     marking as Exhibit 1.1830, Exhibit 4 to your  
6     deposition.

7                     (Snider Exhibit No. 4 was marked  
8                     for identification.)

9           MR. COLLINS: Thank you.

10    BY MR. BOGLE:

11           Q     And you see this is a PowerPoint titled  
12     "Lifestyle Drugs and Internet Pharmacies" from the  
13     National Operations Conference 2007. Do you see  
14     that?

15           A     Yes.

16           Q     And the author is noted to be Donald  
17     Walker, Senior Vice President, Distribution  
18     Operations, right?

19           A     Yes.

20           Q     Are you familiar with Mr. Walker?

21           A     Yes, I am.

22           Q     And his role in this point in time in  
23     2007 would be to oversee the operations of all the  
24     distribution centers within U.S. pharma, right?

1 MR. COLLINS: Objection. Foundation,  
2 vague, calls for a legal conclusion.

3 THE WITNESS: Yeah, operationally.

4 BY MR. BOGLE:

5 Q Yeah. And if you go to page .3, the  
6 slide is titled "Public Health Issues," and it  
7 says -- the first bullet point below that says:  
8 "Abuse of prescription drugs has risen 66 percent  
9 since 2000." And the third bullet point says:  
10 "Opioid painkillers kill more than cocaine and  
11 heroin combined."

12 Do you see that?

13 A Yes.

14 Q Is that a statistic you were familiar  
15 with in 2007?

16 MR. COLLINS: Objection. Form.

17 THE WITNESS: I -- I was there I believe  
18 at the -- his meeting.

19 BY MR. BOGLE:

20 Q Okay. So you would have been made aware  
21 of that statistic at that meeting?

22 A Yes.

23 Q Okay. So you were -- you were present  
24 when this was actually presented, this PowerPoint

1 deck, right?

2 A I believe so, yes.

3 Q Okay. Where was it presented?

4 A At a national meeting, I believe. I  
5 don't know the date -- what's the date here?

6 Q It just says 2007, I think.

7 A It would have to be that -- I'd have to  
8 check the date, depending -- I can't remember  
9 where I was.

10 Q Okay. And if you go to .4, the next  
11 slide says "DEA Focus." And under "Wholesalers,"  
12 it says "DEA Expects." Do you see that?

13 A Yes.

14 Q And it says: "We know our customers."  
15 That's the first bullet point.

16 A Yes.

17 Q The second bullet point is "Wholesalers  
18 accountable for controlling quantities shipped."  
19 Right?

20 A Yes.

21 Q Okay. You understand that concept to  
22 mean the DEA expected you guys to not ship  
23 suspicious orders, right?

24 MR. COLLINS: Objection.

1 Mischaracterization. Form. Calls for a legal  
2 conclusion.

3 THE WITNESS: Right here it talks about  
4 knowing our customers. Wholesaler accountable for  
5 controlling quantities, and then I remember  
6 talking about the internet pharmacies.

7 BY MR. BOGLE:

8 Q Okay. So --

9 A Or the rogue pharmacies that were -- we  
10 didn't have any of those.

11 Q It's your understanding that leading up  
12 to 2006, that McKesson was not supplying any  
13 controlled substances to rogue internet  
14 pharmacies?

15 MR. COLLINS: Objection. Form.

16 THE WITNESS: It was my understanding,  
17 yes.

18 BY MR. BOGLE:

19 Q Okay. Is that still your understanding?

20 A I don't know that now, no.

21 Q Okay. The last bullet point here under  
22 "DEA Expects" says: "5,000 dose units is,  
23 quote/unquote, "average." Do you see that?

24 A Okay.

1 Q You see that reference there?

2 A Yeah.

3 Q Okay. And they're talking again about  
4 controlled substances, right?

5 A Yes.

6 Q That's what they felt the averages were  
7 at that point in time, right?

8 MR. COLLINS: Objection. Foundation.

9 THE WITNESS: Yes.

10 BY MR. BOGLE:

11 Q Okay. And what ends up happening in  
12 2007, we mentioned this briefly, is the Lifestyle  
13 Drug Monitoring Program comes into place, right?

14 A Yes.

15 Q Okay. And that's the first time in  
16 which there are actually thresholds established  
17 for, for example, hydrocodone and oxycodone,  
18 right?

19 A Yes, that I can recall.

20 Q Okay.

21 A Except for the thresholds on the unusual  
22 purchase report.

23 Q Right. But those weren't hard and fast  
24 thresholds that were the same across the board,



1 right?

2 MR. COLLINS: Objection. Vague.

3 THE WITNESS: I'm not sure I understand.

4 BY MR. BOGLE:

5 Q Let me rephrase it.

6 So in 2007, the Lifestyle Drug  
7 Monitoring Program established  
8 8,000-dose-unit-a-month thresholds for oxycodone  
9 and hydrocodone, right?

10 A Yes.

11 Q Okay. And that's around the same point  
12 in time where the DEA, at least what's being  
13 conveyed here by Mr. Walker, is that 5,000 dose  
14 units is average, right?

15 A Yes.

16 Q Okay. And again, under the Lifestyle  
17 Drug Monitoring Program, if a customer exceeded  
18 that 8,000 threshold in a month, their orders  
19 would not be blocked; they would still be shipped,  
20 right?

21 MR. COLLINS: Objection. Compound,  
22 lacks foundation, form, speculative.

23 THE WITNESS: I don't remember that, if  
24 they were cut off or shipped systematically. I'm

1       sorry.

2       BY MR. BOGLE:

3               Q       Okay.

4                       MR. COLLINS:   Are you moving on to  
5       something else?

6               MR. BOGLE:   Yeah.

7               MR. COLLINS:   Can we take a short break?  
8       We've been going 70 minutes.

9               MR. BOGLE:   That's fine.

10               THE VIDEOGRAPHER:   The time is 9:42 a.m.  
11       We're going off the record.

12               (Recess.)

13               THE VIDEOGRAPHER:   The time is 9:55 a.m.  
14       We're back on the record.

15       BY MR. BOGLE:

16               Q       Okay.   Mr. Snider, just to reorient to  
17       where we were at, I had asked you whether during  
18       the time period that the Lifestyle Drug Monitoring  
19       Program was in place, when a customer exceeded the  
20       8,000 unit threshold for hydrocodone and  
21       oxycodone, that those orders were not blocked  
22       thereafter, correct?

23               MR. COLLINS:   Objection.   Vague.

24               THE WITNESS:   I don't remember that.

1 BY MR. BOGLE:

2 Q Okay. Now, I'm going to hand you what  
3 I'm marking as 1.1864, and Exhibit 5 to your  
4 deposition.

5 (Snider Exhibit No. 5 was marked  
6 for identification.)

7 MR. COLLINS: Thank you.

8 BY MR. BOGLE:

9 Q If you look at the bottom e-mail on the  
10 first page here, do you see it's an e-mail from  
11 Diane Martin to several individuals that you're  
12 cc'd on, right?

13 A To Diane, copy Blaine Snider and Brian  
14 Ferreira, yes.

15 Q No, I'm looking at the bottom e-mail on  
16 the first page, not the top one.

17 A Oh. It's from Diane Martin to Lisa,  
18 Jim, John, and Alex, copy Blaine.

19 Q Right. And this is from December 7,  
20 2007, right?

21 A Okay. Yes.

22 Q You see that?

23 A Yeah.

24 Q And the subject is "November LDMP." Do

1       you see that as well?

2               A       Yes.

3               Q       Okay. And then there's a list that  
4       extends a little more than a page of customers at  
5       New Castle for the month of November 2007 that had  
6       exceeded their 8,000 unit threshold for  
7       hydrocodone, oxycodone, and alprazolam.

8                       Do you see that?

9               MR. COLLINS: Objection. Form.

10              THE WITNESS: Let me take a look at it  
11     here. (Peruses document.)

12                       It looks like that, yes.

13     BY MR. BOGLE:

14              Q       Okay. And I want to look at a couple of  
15     these customers so we can understand what we're  
16     seeing here.

17                       So if you turn to point 2, the second  
18     page of the document, do you see three customers  
19     down, there's Franklin Pharmacy HM? Do you see  
20     that?

21              A       Yes, I see that.

22              Q       Are you familiar with Franklin  
23     Pharmacy --

24              A       Yes.

1           Q     -- as a customer that New Castle has  
2     serviced over time?

3           A     Yes.

4           Q     And there is oxycodone referenced there  
5     as to Franklin Pharmacy. Do you see that?

6           A     Yes.

7           Q     And it's noted that on November 13,  
8     2007, they would have exceeded their threshold for  
9     oxycodone, right?

10           MR. COLLINS: Objection. Foundation.

11           THE WITNESS: If I'm -- if I'm reading  
12     this correctly, number of doses at the end of the  
13     month, and then 9,733, it looks like -- it looks  
14     like that's what it says.

15     BY MR. BOGLE:

16           Q     Okay. Let me walk step by step so this  
17     is clear.

18                     Just talking about the date first, based  
19     on this column, which is the column that says  
20     "Date threshold exceeded," for Franklin Pharmacy,  
21     it would note on that November 13, 2007, was the  
22     date that their threshold was exceeded for  
23     oxycodone, right?

24           A     Yes.

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1           Q     And then the next column says "Number of  
2     doses on date doses exceeded the limit," and  
3     there's 97 -- 9,733 doses as of November 13, 2007,  
4     right, for oxycodone?

5                     MR. COLLINS:  Objection.  Foundation.

6                     THE WITNESS:  Yes.

7     BY MR. BOGLE:

8           Q     Okay.  And it indicates, the next  
9     column, "Number of doses at end of month."  And  
10    for Franklin Pharmacy for oxycodone that month,  
11    it's noted 22,250 doses provided to them by the  
12    end of the month.  Right?  That's what this chart  
13    indicates.

14                    MR. COLLINS:  Objection.  Foundation.

15                    THE WITNESS:  It looks like that.

16    BY MR. BOGLE:

17           Q     Okay.  So this would indicate as to  
18    Franklin Pharmacy that in November of 2007, while  
19    the LDMP was in place, they exceeded their  
20    threshold, but their orders that exceeded the  
21    8,000 unit threshold for oxycodone were not  
22    blocked and went all the way up to 22,250 doses  
23    for that month, right?

24                    MR. COLLINS:  Objection.  Compound.

1 Foundation.

2 THE WITNESS: I don't know that they  
3 weren't blocked, and that a Level II could have  
4 been done on that customer, which I believe was  
5 done. I'd have to check on that.

6 BY MR. BOGLE:

7 Q Okay. So if you look at the e-mail  
8 above that from three days later, December 10,  
9 2007, the first line pertains to Franklin  
10 Pharmacy. Do you see that?

11 MR. COLLINS: Objection. Foundation.

12 THE WITNESS: Yes.

13 BY MR. BOGLE:

14 Q It says: "Franklin appeared new last  
15 month for oxycodone. The Level II review is  
16 almost complete. Blaine got Frank's signature on  
17 the declaration, and I'm finishing up the survey  
18 questionnaire."

19 Do you see that?

20 A Yes.

21 Q Okay. So three days after the report we  
22 just looked at, the Level II for Franklin was not  
23 yet complete, right?

24 MR. COLLINS: Objection. Foundation,

1 calls for speculation.

2 BY MR. BOGLE:

3 Q That's what this says.

4 MR. COLLINS: Foundation.

5 THE WITNESS: According to Diane.

6 BY MR. BOGLE:

7 Q It -- and that's actually according to  
8 Alexandra, right?

9 A Or Alex -- Alexandra, yes.

10 Q Okay. What did she do at McKesson at  
11 that point in time? What was her job?

12 A Sales.

13 Q Okay. When Alexandra said something,  
14 was it generally accurate?

15 MR. COLLINS: Objection. Calls for  
16 speculation.

17 BY MR. BOGLE:

18 Q Did you find her to be inaccurate  
19 frequently in her e-mails?

20 MR. COLLINS: Objection. Speculation.

21 THE WITNESS: I can't -- I can't respond  
22 to her accuracy on e-mails.

23 BY MR. BOGLE:

24 Q Well, do you have any specific reason to



1 disagree that for Franklin Pharmacy, they exceeded  
2 their threshold on November 13, 2007 for  
3 oxycodone, and continued to be supplied the drug,  
4 up to 22,250 doses for that month?

5 MR. COLLINS: Objection. Foundation.  
6 Mischaracterization of prior testimony.

7 THE WITNESS: I don't know that they  
8 didn't have a Level II already done. The DRA had  
9 looked at it, and they had a new business or  
10 whatever. I don't know that here.

11 MR. BOGLE: Move to strike as  
12 nonresponsive.

13 BY MR. BOGLE:

14 Q All I asked you at this point was, what  
15 this chart indicates is that Franklin Pharmacy  
16 received 22,250 doses of oxycodone after exceeding  
17 their threshold on November 13, 2007, right?

18 MR. COLLINS: Objection. Foundation,  
19 argumentative, compound. Mischaracterizes his  
20 prior answer, which was appropriate.

21 THE WITNESS: I don't know. It's what  
22 you say is on the chart.

23 BY MR. BOGLE:

24 Q Well, that's what the chart says, right?

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1 MR. COLLINS: Objection. Vague, form.

2 THE WITNESS: I don't know that for

3 sure.

4 BY MR. BOGLE:

5 Q You don't know that that's what the

6 chart says right here?

7 MR. COLLINS: Objection. Foundation.

8 THE WITNESS: Yes.

9 BY MR. BOGLE:

10 Q Yes, you don't know?

11 A Yes.

12 Q Okay. Have you read charts like these

13 before in your job at McKesson?

14 A Yes.

15 Q Okay. When you got this e-mail in

16 December 2007, did you write back and say, What is

17 this chart? I don't know what this means?

18 MR. COLLINS: Objection. Calls for

19 speculation, foundation.

20 THE WITNESS: I don't know from 2007.

21 BY MR. BOGLE:

22 Q Okay. Well, I can tell you I looked,

23 and I didn't see any e-mail from you that said, I

24 don't understand what this chart means, guys. Can

1       somebody explain this to me? I didn't see an  
2       e-mail like that. I'm sure if your counsel has  
3       got one, they'll show it to you in his exam.

4                   MR. COLLINS: You don't have to answer.  
5       That's not a question.

6       BY MR. BOGLE:

7           Q       Do you have any reason to testify under  
8       oath today that you sent a response saying you  
9       don't understand what this chart means?

10                  MR. COLLINS: Objection. Argumentative.

11                  THE WITNESS: I don't know what it means  
12       specifically. I see what it says.

13       BY MR. BOGLE:

14           Q       Okay.

15           A       I can't remember from 2007.

16           Q       And what it says about whether a  
17       Level II had been done for Franklin, which is  
18       another thing you referenced, is that it was not  
19       yet complete as of three days of you receiving  
20       this chart in December 2007, right?

21                  MR. COLLINS: Lack of foundation as to  
22       this entire inquiry. It's not been established  
23       what this document means. Given that this one --  
24       this witness wasn't the author of the document.

1                   MR. BOGLE:  You're not -- you're making  
2           speaking objections clearly now.

3                   MR. COLLINS:  No, this is an entirely  
4           improper line of inquiry.

5                   MR. BOGLE:  It's not.  He's on the  
6           e-mail.  He's saying he doesn't understand it.  
7           I'm trying to figure out why he doesn't understand  
8           it.

9                   MR. COLLINS:  Because he didn't write  
10          the e-mail.

11                  THE WITNESS:  I don't know that it  
12          wasn't done.

13          BY MR. BOGLE:

14                  Q       Okay.  So --

15                  A       If Alex -- you mentioned Alex.  I don't  
16          know if she was right or not.

17                  Q       Okay.  So -- but do you have any  
18          specific reason, as you sit here today, that when  
19          she wrote her e-mail on December 10, 2007, saying  
20          that the Level II review was not done yet, that  
21          she was wrong?

22                  MR. COLLINS:  Objection.  Calls for  
23          speculation.

24                  THE WITNESS:  I don't know that.

1 BY MR. BOGLE:

2 Q Okay. Well, let's look at some of the  
3 other pharmacies here on this chart.

4 Do you see Mace's Pharmacy on there as  
5 well for oxycodone and hydrocodone?

6 A Yes.

7 Q Do you see for hydrocodone, it's noted  
8 on this chart that they exceeded their threshold  
9 on November 8, 2007, right?

10 MR. COLLINS: Objection. Lack of  
11 foundation.

12 THE WITNESS: That's what it says here.

13 BY MR. BOGLE:

14 Q Okay. And it's noted they were provided  
15 28,100 doses of hydrocodone that month, right?

16 MR. COLLINS: Objection. Lack of  
17 foundation, mischaracterization, assumes facts not  
18 in evidence or testified to by this witness.

19 THE WITNESS: It's under "Number of  
20 doses at the end of the month." I can't remember  
21 if they had exceeded it.

22 BY MR. BOGLE:

23 Q Well, we know the threshold at this  
24 point in time would have been 8,000, right?

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1           A       Yes.

2           Q       Okay. And so 28,100 is more than 8,000,  
3 right?

4           A       Yes.

5           Q       Okay. And we know that's how much they  
6 got that month per this chart, right?

7                   MR. COLLINS: Objection.

8 BY MR. BOGLE:

9           Q       "Number of doses at end of month,"  
10 that's what that means, doesn't it?

11                   MR. COLLINS: Objection. Lack of  
12 foundation. This witness hasn't testified to  
13 firsthand knowledge as to what this chart means.

14 BY MR. BOGLE:

15           Q       I'm asking you, that's what that means,  
16 doesn't it?

17                   MR. COLLINS: Same objection, and lack  
18 of foundation.

19                   THE WITNESS: I don't know that.

20 BY MR. BOGLE:

21           Q       You don't know if that's what that  
22 means?

23           A       Correct.

24           Q       You have no idea what "Number of doses

1 at end of month" means?

2 MR. COLLINS: Objection. Foundation.

3 THE WITNESS: Yes. Yes.

4 BY MR. BOGLE:

5 Q Yes what?

6 A I don't know what that means.

7 Q Okay. Do you have any understanding of  
8 what it could possibly mean other than that's how  
9 many doses they got that month?

10 A I don't know if that means there was a  
11 Level II done or --

12 Q That's not my question, sir.

13 MR. COLLINS: He's -- I'm sorry.

14 MR. BOGLE: Not my question.

15 MR. COLLINS: The witness is entitled to  
16 respond.

17 Please finish your answer, Mr. Snider.

18 THE WITNESS: I don't know that a  
19 Level II was done. I don't know -- I don't have  
20 the information about the account. If Mace's got  
21 long-term care facilities, if they had a hospital  
22 account connected to it, I don't know that.

23 MR. BOGLE: Move to strike as  
24 nonresponsive.

1 BY MR. BOGLE:

2 Q My only question, sir, was that Mace's  
3 Pharmacy for hydrocodone, based on this chart,  
4 received 28,100 doses by the end of the month.  
5 True or false?

6 MR. COLLINS: Objection. Assumes facts  
7 not in evidence. It's certainly not testified to  
8 by this witness, and this witness has clearly  
9 stated he has no firsthand knowledge about the  
10 chart.

11 THE WITNESS: False. I don't know that  
12 for sure.

13 BY MR. BOGLE:

14 Q Okay. Do you see Town & Country on  
15 there as well, Town & Country Pharmacy?

16 A Yes.

17 Q It's noted per this chart that for  
18 hydrocodone, they exceeded their threshold  
19 November 12, 2007, right?

20 MR. COLLINS: Assumes facts not in  
21 evidence, mischaracterization of the document.

22 THE WITNESS: That's what the chart  
23 says.

24 BY MR. BOGLE:



1 Q And under the column "Number of doses at  
2 end of month," it says what, sir?

3 A 8,700.

4 Q For hydrocodone, Town & Country?

5 A 12,017.

6 Q I think you're looking at Troutman.

7 A Oh, I'm sorry.

8 Q Do you see where it says 28,900 --

9 A I -- I apologize. If you'll slow down a  
10 little bit.

11 Did you say Town -- Town & Country  
12 you're looking at?

13 Q Yes, sir.

14 A Okay. What -- what's the question  
15 again?

16 Q For the column "Number of doses at end  
17 of month," what is the number for hydrocodone for  
18 Town & Country Pharmacy?

19 A 28,932.

20 Q What is the number for oxycodone for  
21 Town & Country Pharmacy for that month?

22 A 15,783.

23 Q And you don't have any reason to dispute  
24 these are all customers serviced by New Castle, do

1       you?

2               A       No.

3               Q       Okay.

4               A       I know those customers. I actually  
5       visited those customers.

6               Q       Okay. And for any of these customers,  
7       if McKesson at New Castle wanted to block those  
8       orders, that was within your authority to do so,  
9       right?

10                   MR. COLLINS: Objection. Calls for  
11       speculation, legal conclusion.

12                   THE WITNESS: Can you repeat the  
13       question, please?

14       BY MR. BOGLE:

15               Q       Sure. If you wanted to block the orders  
16       for any of these pharmacies we just talked about,  
17       Town & Country, Franklin's, Mace's, for the month  
18       of November 2007, after they got over 8,000 doses,  
19       that was within your authority as director of  
20       operations to say, no more for them that month,  
21       right? You're not getting any more.

22                   MR. COLLINS: Objection.

23       BY MR. BOGLE:

24               Q       You could have done that, true?

1 MR. COLLINS: Object --

2 THE WITNESS: I believe I did it --

3 MR. COLLINS: I'm sorry.

4 THE WITNESS: Sorry.

5 MR. COLLINS: Please let me make my  
6 objection.

7 The question was compound in multiple  
8 ways, and it's vague.

9 BY MR. BOGLE:

10 Q You had authority to stop any of the  
11 pharmacies we just talked about from getting more  
12 than 8,000 doses in November 2007, true?

13 A Yes.

14 Q Okay. Because as director of  
15 operations, the license given to McKesson for New  
16 Castle to distribute controlled substances is  
17 ultimately your responsibility to keep, right?

18 A Yes.

19 Q Right?

20 A And I knew those customers, and actually  
21 visited those customers and did threshold visits.

22 MR. BOGLE: Move to strike everything  
23 after "yes."

24 BY MR. BOGLE:

1 Q That was within your authority, true?

2 MR. COLLINS: Objection. Asked and  
3 answered.

4 THE WITNESS: Yes.

5 BY MR. BOGLE:

6 Q Okay. And the same is true from 2008 --  
7 2000 to 2018, if at any point in time you had a  
8 concern as director of operations about opioids  
9 being supplied to a customer for New Castle, you  
10 had the ultimate authority to say, They're not  
11 getting these pills, true?

12 MR. COLLINS: Objection. Vague. Calls  
13 for a legal conclusion.

14 THE WITNESS: No.

15 BY MR. BOGLE:

16 Q You couldn't stand up and say, I'm  
17 against this. I don't want them getting these  
18 pills. This is my license. I have control over  
19 this distribution center?

20 MR. COLLINS: Objection. Incomplete  
21 hypothetical to a fact witness.

22 THE WITNESS: You -- you asked about  
23 ultimate authority. I'm sorry. Can you define  
24 that?

1 BY MR. BOGLE:

2 Q Let me ask you this: If you had  
3 concerns about controlled substances going, and  
4 specifically opioids, going to a New Castle  
5 customer from 2000 to 2018, it was, first of all,  
6 your responsibility to raise that concern, right?

7 MR. COLLINS: Objection. Compound.  
8 Assumes facts not in evidence.

9 THE WITNESS: Yes.

10 BY MR. BOGLE:

11 Q Okay. You knew that was your job,  
12 right?

13 A Yes.

14 Q Okay. And ultimately, if you raised  
15 that concern, you were in a position of management  
16 at the DC when you did so, right?

17 A Yes.

18 Q Okay. You're somebody that people  
19 listen to, right?

20 A I can't answer that. I don't know.

21 Q You don't know if people listen to you?

22 A I'm sure they do. Some do, some don't.

23 Q Okay. As to Franklin's Pharmacy, for  
24 example, you never stood up and said, I don't -- I

1 don't want these people getting more opioids from  
2 my distribution center, did you?

3 A Yes.

4 Q You did?

5 A Yes.

6 Q Okay. When was that?

7 A I don't recall the time.

8 Q Okay.

9 A But, yes, Frank Manios was not able to  
10 get any more opiates.

11 Q But that wasn't at your direction, was  
12 it?

13 A Yes, it was.

14 Q Okay. All right. We'll take a look at  
15 that momentarily then.

16 A Okay.

17 Q For Mace's, you could have stood up at  
18 any point in time and said, No more oxycodone or  
19 hydrocodone for you, Mace's. I think that what  
20 you're doing is suspicious. Right? You had that  
21 authority.

22 A Yes.

23 Q Okay. Let's go back to Exhibit 1.1830,  
24 I think it's Exhibit 4 to the deposition. We were

1       talking about this --

2                   MR. COLLINS: I'm sorry, hold on a  
3       second.

4                   MR. BOGLE: Yeah, it's the PowerPoint  
5       deck you have right next to you, the Lifestyle  
6       Drug.

7       BY MR. BOGLE:

8               Q       We were talking about this a few moments  
9       ago. I want to go to page .7 in this slide deck.

10                   It's noted here, the slide is titled  
11       "Lifestyle Drug Monitoring Program," and it says  
12       "Focus on four drugs." Do you see that?

13               A       Yes.

14               Q       Two of those four drugs that were the  
15       focus in the Lifestyle Drug Monitoring Program  
16       were hydrocodone and oxycodone, right?

17               A       Yes, I believe so.

18               Q       Okay. And the third bullet point, we  
19       talked about this a little bit, established  
20       threshold for excessive quantities, 8,000 dose  
21       units. Do you see that?

22               A       Yes.

23               Q       And that threshold was established for  
24       all customers as it pertained to hydrocodone and

1       oxycodone, right?

2                   MR. COLLINS:  Objection.  Form, vague.

3                   THE WITNESS:  Yes.

4       BY MR. BOGLE:

5           Q       Okay.  And the next bullet point says:  
6       "Thorough due diligence of customers exceeding  
7       threshold."  Do you see that?

8           A       Yes.

9           Q       Okay.  And that due diligence was done  
10       through a sort of three-level process, right?

11          A       As I recall.

12          Q       Okay.  For example, Level I, when a  
13       customer exceeded the threshold, a Level I review  
14       meant you kind of -- "you" meaning the management  
15       of the distribution center was responsible for  
16       evaluating that customer to assess whether you  
17       thought the orders were suspicious, right?

18                   MR. COLLINS:  Objection.  Form.

19                   THE WITNESS:  Yes.

20       BY MR. BOGLE:

21           Q       Okay.  And then if you -- it was  
22       inconclusive, you went to Level II, right?

23           A       Yes.

24           Q       Okay.  And at Level II, that involved,



1 first of all, the distribution center management,  
2 including yourself, right?

3 A Yes.

4 Q Okay. And that included going out and  
5 visiting the customer and sometimes having a  
6 questionnaire completed by them, right?

7 A Well, Level I was the visit that I would  
8 do. Level II was usually done by a DRA and the  
9 salesperson.

10 Q Okay. So you weren't involved in the  
11 Level II reviews at all under the lifestyle drug  
12 management program?

13 A Not that I recall.

14 Q Okay. What about under the CSMP,  
15 Level IIs?

16 A I don't think so.

17 Q Okay. Just Level I is your testimony is  
18 all you would have been involved in?

19 A That's all I remember.

20 Q Okay. And you were also involved in  
21 reviewing threshold request increases and signing  
22 off on those if you felt appropriate, right?

23 MR. COLLINS: Objection to form, to the  
24 word "signing off," vague, calls for a legal

1 conclusion.

2 THE WITNESS: I would push it up to the  
3 director of Regulatory Affairs, yes, for their  
4 review.

5 BY MR. BOGLE:

6 Q But ultimately on many of the threshold  
7 requests -- strike that.

8 On the threshold request approvals, the  
9 DRA, the regulatory individual, and yourself or  
10 somebody you designated at your distribution  
11 center, would sign off on those threshold  
12 increases for anything that went out of New  
13 Castle, right?

14 MR. COLLINS: Objection to the use of  
15 the term "sign off." Form.

16 THE WITNESS: I wanted to make clear if  
17 I sign off, it's to go to the director of  
18 Regulatory Affairs. That's what "sign off" meant  
19 to me.

20 BY MR. BOGLE:

21 Q But your authority had to matter too,  
22 right? You would sign -- literally sign those  
23 forms too, right?

24 MR. COLLINS: Objection. Form,

1 foundation.

2 THE WITNESS: I would sign off to  
3 proceed to send it to the director of Regulatory  
4 Affairs --

5 BY MR. BOGLE:

6 Q And if --

7 A -- and ask for their expertise.

8 Q And if you thought that, based on your  
9 expertise and review, that a threshold increase  
10 was not appropriate, you would not put your  
11 signature on that, would you?

12 A Not necessarily.

13 Q Well, would you sign threshold  
14 increase -- to approve threshold increases in  
15 situations where you felt that was not  
16 appropriate?

17 MR. COLLINS: Objection to the term  
18 "approve."

19 THE WITNESS: I would send it up to the  
20 correct -- the director of Regulatory Affairs for  
21 their expertise.

22 BY MR. BOGLE:

23 Q Okay. But you would actually sign these  
24 forms too, right?

1           A       Yes.

2           Q       Okay. And so in signing that form, that  
3       requires you to literally put your signature on  
4       the page approving that request, right?

5                   MR. COLLINS: Objection.

6       BY MR. BOGLE:

7           Q       From your perspective.

8                   MR. COLLINS: Objection.

9       Mischaracterization. It's been asked and  
10      answered.

11                  THE WITNESS: From my perspective, it  
12      was clear I was submitting it to the director of  
13      Regulatory Affairs so they could review it and do  
14      the proper due diligence on usually a Level II.

15      BY MR. BOGLE:

16           Q       So if we see your signature on any  
17      threshold increase requests under the approval  
18      section, we should not interpret that to mean that  
19      you were approving anything. Is that your  
20      testimony?

21           A       I'm approving it to go to the director  
22      of Regulatory Affairs for their perusal, and then  
23      they have to approve -- I can't do it on my own.  
24      I cannot increase a threshold.

1           Q     But if you had concerns about a  
2     threshold being increased, you certainly had the  
3     authority and ability to raise that objection,  
4     correct?

5           A     I would raise that objection.

6           Q     And if you had an objection, you  
7     wouldn't sign the threshold increase form, would  
8     you?

9           A     From -- if I knew something, that I  
10    would let the director of Regulatory Affairs know.

11          Q     Right. And you wouldn't sign a  
12    threshold increase approval form if you had such  
13    concerns, right?

14          A     I would not.

15          Q     Right. Going back to the slide deck in  
16    Exhibit 4, on the same page, it says "Reducing  
17    orders to customers" is the next bullet point. Do  
18    you see that?

19          A     Yes.

20          Q     And that was part of establishing  
21    this -- these thresholds was an effort to try to  
22    reduce the overall purchases of these four  
23    specific products, right?

24                   MR. COLLINS: Objection. Calls for a

1 legal conclusion, foundation.

2 THE WITNESS: It was to make sure  
3 they're going to the right customers.

4 BY MR. BOGLE:

5 Q Right. And the last reference here says  
6 "Documentation and reporting to DEA." Do you see  
7 that?

8 A Yes.

9 Q Meaning if you've got a suspicious order  
10 you've identified, you report it, correct?

11 MR. COLLINS: Objection. Calls for a  
12 legal conclusion. Form.

13 THE WITNESS: Yes.

14 BY MR. BOGLE:

15 Q Okay. And -- strike that.

16 (Snider Exhibit No. 6 was marked  
17 for identification.)

18 BY MR. BOGLE:

19 Q I'm going to hand you -- I'm marking as  
20 Exhibit 1.1333, Exhibit 6 to your deposition.

21 Do you see this is a copy of the  
22 Lifestyle Drug Monitoring Program? Do you see  
23 that?

24 A Yes.

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1 Q Okay. You've seen this document before,  
2 right?

3 A Yes, I have.

4 Q Okay. And this is the document you  
5 would utilize when you were conducting due  
6 diligence during the 2007 into 2008 time frame,  
7 right?

8 A It was the MOM -- we called it the MOM  
9 or the SOPs, standard operating procedures, and it  
10 was McKesson's operation manual.

11 Q Right. And this is what you had to  
12 comply with when you were conducting due diligence  
13 as it related to, for example, oxycodone and  
14 hydrocodone during the '07 into '08 time frame,  
15 right?

16 MR. COLLINS: Objection to form.

17 THE WITNESS: I believe so, yes.

18 BY MR. BOGLE:

19 Q Okay. And if you look at the first  
20 page, in the middle, the four drugs are listed  
21 there that the 8,000 unit threshold would be  
22 applied to.

23 Do you see that?

24 A Yes.

1           Q     Okay. So it says there above those four  
2     drug listings: "This reporting process is  
3     targeting controlled substances that the DEA  
4     considers lifestyle drugs. These drugs are highly  
5     abused and are commonly found in illegal internet  
6     pharmacies. Currently the controlled substances  
7     being monitored by these reports are," and it  
8     lists the four.

9                     The first of the two is oxycodone, the  
10    second is hydrocodone, correct?

11           A     Yes.

12           Q     And if you go down a little further on  
13    that page, you see where it says "Daily Dosage  
14    Summary Report"?

15           A     Yes.

16           Q     Okay. It says: "This report will  
17    summarize customers who have purchased quantities  
18    of all products containing the identified base  
19    code in excess of the threshold for the item."

20                     Do you see that?

21           A     Yes.

22           Q     Okay. So that sentence in and of itself  
23    indicates that the 8,000 unit threshold was not a  
24    hard stop, meaning that in a given month a



1 customer could order more than 8,000 without  
2 having their orders blocked, right?

3 MR. COLLINS: Objection. Form, vague.

4 THE WITNESS: I'm not sure. If you  
5 could rephrase that.

6 BY MR. BOGLE:

7 Q Well, as it indicates in this sentence,  
8 this Daily Dosage Summary Report was used to  
9 identify customers who had already ordered more  
10 than 8,000 units, right?

11 A Yes.

12 Q Okay. Meaning if you've already ordered  
13 more than 8,000, you've already exceeded the  
14 established threshold, right?

15 A Yes.

16 Q And it says: "For example, all sales  
17 and credits of McKesson items containing  
18 hydrocodone will be added together and reported if  
19 the total doses exceed 8,000 unit. The daily  
20 report will systemically be sent via e-mail to the  
21 DCM" -- what does DCM stand for?

22 A Distribution center manager.

23 Q And that was you; is that right?

24 A Yes.

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1           Q     Okay. Director of operations is another  
2     way to say distribution center manager. Those are  
3     used interchangeably at McKesson, right?

4           A     Yes.

5           Q     -- "and their -- their designee, Sales  
6     Management, and regulatory department. It will be  
7     the DCM's responsibility to review and act on the  
8     reports according to the processes listed below."

9                     Do you see that?

10          A     Yes.

11          Q     And again, that's you. The DCM for New  
12     Castle, that's you, right?

13          A     Yes.

14          Q     Okay. And then you talked a little bit  
15     before about Level I reviews.

16                     Do you remember talking about that  
17     generally with me?

18          A     Yes.

19          Q     Okay. And Level I reviews will be  
20     triggered when a customer exceeded this 8,000 unit  
21     threshold, right?

22          A     Not necessarily.

23          Q     Okay. What would be triggered then?

24          A     We were -- at the distribution center in

1 New Castle, we had a goal to go through all  
2 independent pharmacies and do a Level I review,  
3 part of "know your customer."

4 So starting then, we would schedule all  
5 the customers, sometimes prioritizing these, but  
6 we would try to get a Level I review with every  
7 independent customer that we serviced.

8 Q Okay. But my question was more specific  
9 to you. If a customer appears on this Daily  
10 Dosage Summary Report as being over 8,000 units,  
11 for example, for oxycodone or hydrocodone, that  
12 would trigger a Level I review, right? That was  
13 the SOP?

14 MR. COLLINS: Objection to the form.

15 THE WITNESS: Not necessarily.  
16 Sometimes we already had one.

17 BY MR. BOGLE:

18 Q Okay. So if you already had one and  
19 they appeared on a subsequent report, you would  
20 not redo the Level I review; is that your  
21 testimony?

22 MR. COLLINS: Objection.  
23 Mischaracterization.

24 THE WITNESS: I don't know specifically

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1       which customer you're talking about, but sometimes  
2       we would ask for a Level II.

3       BY MR. BOGLE:

4               Q       Yeah, I'm just asking about the general  
5       procedures followed at New Castle. I'm not  
6       talking about any specific customer right now.

7               A       Oh, I'm sorry, I completely  
8       misunderstood your question then.

9               Q       I'm saying --

10              A       If you could start over.

11              Q       Yeah. If a customer shows up on this  
12       Daily Dosage Summary Report, while the lifestyle  
13       drug management program was in place, that, under  
14       the standard operating procedure here, would  
15       trigger automatically a Level I review, correct?

16                      MR. COLLINS: Objection. Form.

17                      THE WITNESS: I don't know that. I  
18       would have to read through it again. It's been 10  
19       or 12 years.

20       BY MR. BOGLE:

21              Q       As you sit here today, you don't know  
22       either way. Is that your testimony?

23              A       Yes.

24              Q       Okay. And let's look at Level I review.

1 It's on page .2, the next page.

2 Under 1.1, it says: "If the customer  
3 appears on a previous month's report for the same  
4 item," and then it kind of gives you some -- some  
5 criteria to evaluate, right? Below that.

6 A I'd have to look. If I could -- could I  
7 look?

8 Q Sure. I'm just talking about 1.1 right  
9 now.

10 A (Peruses document.)

11 Okay. What was your question?

12 Q Yeah. I'm just kind of orienting you at  
13 this point. You said you wanted to look at it, so  
14 I didn't really have one. I was trying to orient  
15 you to where we were at.

16 A Okay.

17 Q Okay. So below that, it says:  
18 "Evaluate the customer's purchases relative to the  
19 past three months' purchases. The evaluation  
20 should include, but not necessarily be limited to,  
21 the following criteria," and then below that there  
22 are five bullet points.

23 Do you see that?

24 A Yes, I do.

1           Q     Okay. Now, these five bullet points, is  
2     that the criteria that you would apply in doing a  
3     Level I review?

4           A     Yes, at that time.

5           Q     Were there any other criteria that you  
6     applied that are not listed here?

7           A     I don't -- there were more. Yes.

8           Q     Yeah, so what -- what other criteria  
9     would you apply during this time period?

10          A     I remember looking for red flags. If  
11     there were people -- out-of-state licenses in the  
12     parking lot, we would look for that. We were  
13     trained if there wasn't any signage on the  
14     building, that that was a red flag. We were asked  
15     about internet pharmacies, because that was a red  
16     flag that usually would push it up to Level II.  
17     And we looked at just lines of pharmacies. And  
18     then we would get sales data and look at that. I  
19     believe three months of sales data.

20          Q     Okay. And the red flags that you refer  
21     to here -- actually, strike that. We'll get to  
22     that in a minute.

23                     You would also have responsibility as  
24     the distribution center manager or director of

1 operations for doing site examinations and  
2 interviews with the customer under the Level II  
3 phase as well, right?

4 A Not usually, no.

5 Q You have no role in that process?

6 A Not that I recall.

7 Q Okay. You're saying that's just  
8 regulatory that would do that, right?

9 A Usually regulatory, yes.

10 Q Now, there's also a Level III identified  
11 here under the Lifestyle Drug Monitoring Program.  
12 And I looked during the period of time the  
13 documents that were produced for customers of New  
14 Castle and Level III reviews. I could not find  
15 any.

16 That's -- there were actually no  
17 Level III reviews done under the Lifestyle Drug  
18 Monitoring Program for New Castle customers, were  
19 there?

20 MR. COLLINS: Objection. Assumes facts  
21 not in evidence.

22 THE WITNESS: I don't know that.

23 BY MR. BOGLE:

24 Q Okay. So, again, assuming that all the

1 documents that need to be produced have been  
2 produced here, me not finding any, you would agree  
3 with me, is indicative of the fact that there were  
4 no Level III reviews done during this time period,  
5 were there?

6 MR. COLLINS: Objection. Assumes facts  
7 not in evidence.

8 THE WITNESS: I can't agree with that.

9 BY MR. BOGLE:

10 Q You don't know one way or the other; is  
11 that true?

12 A I don't recall a Level III right now,  
13 no.

14 Q You can't recall as you sit here any  
15 specific Level III reviews that were done, can  
16 you?

17 A What period of time, please?

18 Q 2007 to 2003 under the LDMP.

19 A Not that I remember, no.

20 Q Now, let's talk about for a few minutes  
21 the Controlled Substances Monitoring Program.  
22 That went into effect in 2008, right?

23 A I believe so, yes.

24 Q Okay. And there was a separate



1 threshold system applied under the CSMP, right,  
2 different than the LDMP?

3 A I believe so, yes.

4 Q Okay. And that system for existing  
5 customers was based on looking at the last six  
6 months of sales data for controlled substances,  
7 taking the highest months of sales during that  
8 period and adding 10 percent to it, and that was  
9 the threshold, right?

10 MR. COLLINS: Objection. Form.

11 THE WITNESS: I don't know specifically  
12 about the 10 percent, but I do know it was based  
13 on sales.

14 BY MR. BOGLE:

15 Q Okay. Any reason to disagree that that  
16 was the process employed?

17 MR. COLLINS: Objection. The question  
18 is vague.

19 THE WITNESS: I don't know.

20 BY MR. BOGLE:

21 Q You don't know?

22 Did you ever -- so you would have to  
23 review threshold request increases. Those came to  
24 you and -- both you and the regulatory individual

1 responsible for New Castle, right?

2 A Yes.

3 Q Okay. So when you were reviewing those,  
4 you had no concept of how the threshold was set to  
5 begin with?

6 MR. COLLINS: Objection. Form,  
7 argumentative.

8 THE WITNESS: I said I don't remember.  
9 I don't remember that it was 10 percent. It  
10 doesn't state that in what I remember. I'm sorry.  
11 BY MR. BOGLE:

12 Q Let's talk about how threshold increases  
13 were dealt with under the CSMP. Let's start in  
14 2008 when the program was launched.

15 From 2008 to present, in order to  
16 increase a threshold, a customer had to document a  
17 legitimate business reason for increasing that  
18 threshold, right?

19 A They had to give us a reason or the DRA,  
20 national accounts, et cetera.

21 Q But there was a specific requirement  
22 that the business reason needed to be documented,  
23 right?

24 A It should be.

1           Q     Okay. For example, if a customer tells  
2     you that their business is increasing without  
3     providing any documentation to support that and to  
4     support that increase is legitimate, the threshold  
5     increase should not be approved, should it?

6           MR. COLLINS: Objection. Calls for a  
7     legal conclusion and form.

8           THE WITNESS: They would usually supply  
9     data for that salesperson or the DRA to push it up  
10    the line.

11    BY MR. BOGLE:

12           Q     Okay. My question was simply that if a  
13    customer doesn't provide data to support both the  
14    business increases occurring and that it's  
15    legitimate, then a threshold increase should not  
16    be approved under the CSMP, right?

17           MR. COLLINS: Objection. Incomplete  
18    hypothetical, form.

19           THE WITNESS: That data wasn't always  
20    supplied to me. It would be supplied to the DRA  
21    who approved.

22           MR. BOGLE: Move to strike as  
23    nonresponsive.

24    BY MR. BOGLE:

1 Q I'm just asking about the process.

2 So --

3 A I'm sorry, I misunderstood.

4 Q Yeah. So when an increase is requested,  
5 the increase needs to be documented and justified  
6 with supporting documentation showing the reason  
7 for the increase and that it's legitimate, right?

8 MR. COLLINS: Objection. Calls for a  
9 legal conclusion. Form. Incomplete hypothetical.

10 THE WITNESS: Can you repeat the  
11 question? I'm sorry.

12 BY MR. BOGLE:

13 Q Sure. Well, I'll rephrase it to help  
14 you out here.

15 So if a customer under the CSMP requests  
16 a threshold increase based on increased business,  
17 they have to supply documentary support for that  
18 request, true?

19 A Yes, a legitimate reason for the  
20 increase.

21 Q Right. They can't simply say, My  
22 business is increasing, and you guys take their  
23 word for it and increase the thresholds, right?  
24 That would not be appropriate under the protocols.

1 MR. COLLINS: Objection to the form.

2 THE WITNESS: I would not always know  
3 what the increase was, like in national accounts,  
4 but they would supply that.

5 MR. BOGLE: Move to strike as  
6 nonresponsive.

7 BY MR. BOGLE:

8 Q So my question is simply --

9 A I didn't understand.

10 Q -- a customer saying, My business is  
11 increasing, without any documentary support, is  
12 not a legitimate reason under the CSMP to increase  
13 a threshold, true?

14 MR. COLLINS: Objection to the use of  
15 the legalese, "legitimate," so it calls for a  
16 legal conclusion. Incomplete hypothetical.

17 THE WITNESS: Can you repeat the  
18 question again? I'm sorry.

19 BY MR. BOGLE:

20 Q Sure. A customer saying that their  
21 business is increasing, without documentary  
22 support for that increase, does not provide a  
23 legitimate reason to increase the threshold under  
24 the CSMP, true?

1 MR. COLLINS: CS -- same objections.

2 THE WITNESS: I would not -- I would not  
3 provide an increase for that.

4 BY MR. BOGLE:

5 Q Okay. Because that would not be  
6 appropriate under the Controlled Substances  
7 Monitoring Program, right?

8 A It wouldn't be my job to do that. It  
9 would be the DRA's.

10 Q My question simply is -- I mean you have  
11 an understanding of the Controlled Substances  
12 Monitoring Program, right? You sign off on  
13 threshold increases, true?

14 MR. COLLINS: Objection. We've been  
15 over this. Asked and answered,  
16 mischaracterization of his prior testimony.

17 THE WITNESS: I send them up to the DRA  
18 so they can do the due diligence, which we do.

19 BY MR. BOGLE:

20 Q I'm going to hand you what I'm marking  
21 as Exhibit 1.1679, also Exhibit 7.

22 (Snider Exhibit No. 7 was marked  
23 for identification.)

24 BY MR. BOGLE:

1 Q Are you familiar with Dave Gustin?

2 A Yes.

3 Q Okay. He was in the regulatory  
4 department at McKesson, right?

5 A Yes.

6 Q Okay. I want to take a look at page .2  
7 here, the second page.

8 MR. COLLINS: I'm sorry. If you need to  
9 take more time to review it to familiarize  
10 yourself with the document, please do.

11 BY MR. BOGLE:

12 Q There's an e-mail from Dave Gustin,  
13 looking at the bottom e-mail on that page, from  
14 April 15, 2011, to a big group of people. Do you  
15 see that?

16 A I see it, yes.

17 Q Okay. He says there in that e-mail:  
18 "My contribution to today's call centers around  
19 how we, through the CSMP, will meet the  
20 expectations of the program itself and, more  
21 urgently, the DEA under the terms of the agreement  
22 of May '08. The expectation is that we know our  
23 customer and their customers too, at least to the  
24 point where we are seeing and responding to any

1 diversion that may be taking place, if not  
2 preventing it up front."

3 Do you see that?

4 A Yes.

5 Q Okay. And he wrote this, by the way, in  
6 an e-mail, April 15, 2011. Do you see that?  
7 That's the date of the e-mail?

8 MR. COLLINS: Objection. Foundation.

9 THE WITNESS: Yes.

10 BY MR. BOGLE:

11 Q Okay. And then it goes on in the next  
12 paragraph -- you see where it says "What I  
13 believe" in the second sentence?

14 It says: "What I believe needs to be  
15 tightened up are the follow-up visits to our  
16 accounts that have undergone significant changes  
17 in their controls purchases in either volume or  
18 percentage. We also need to tighten up the  
19 process regarding granting increases. We have  
20 gotten to a point where a certain percentage of  
21 increase are almost automatic, and we are too  
22 easily accepting of reasons like," quote/unquote,  
23 "business increase for raising thresholds by small  
24 amounts. The SOP says clearly that this is not an



1 acceptable reason unless sales data supports it."

2 Do you see that?

3 A Yes.

4 Q And you agree that granting threshold  
5 increases based on business increases without  
6 supporting data is not appropriate under the  
7 Controlled Substances Monitoring Program, right?

8 MR. COLLINS: Objection. Form,  
9 incomplete hypothetical.

10 THE WITNESS: I believe exactly what  
11 he's saying here.

12 BY MR. BOGLE:

13 Q Okay. So you agree with that statement,  
14 what I just read about --

15 A I agree that Dave said it to -- to that  
16 group, yes.

17 Q Do you think that's an accurate  
18 statement?

19 A I can't testify --

20 Q That the SOP says clearly it's not an  
21 acceptable reason for business increase unless  
22 data supports it?

23 A Yes.

24 Q Okay. I'm also going to hand you what

1 I'm marking as 1.795, Exhibit 8 to your  
2 deposition.

3 (Snider Exhibit No. 8 was marked  
4 for identification.)

5 BY MR. BOGLE:

6 Q So this is a PowerPoint deck titled  
7 "McKesson's Controlled Substances Monitoring  
8 Program," and the metadata indicates this is from  
9 2015.

10 Do you see that title there?

11 A I'm sorry, what's the date, please?

12 Q It doesn't have one on the document.  
13 I'm saying the data as provided to us indicated  
14 it's 2015.

15 MR. COLLINS: Objection. Foundation.

16 THE WITNESS: Okay.

17 BY MR. BOGLE:

18 Q Do you see the title of the document --

19 A Yes.

20 Q -- "McKesson's Controlled Substances  
21 Monitoring Program"?

22 A Yes.

23 Q Did you ever receive training materials  
24 like this on the Controlled Substances Monitoring

1 Program to tell you how to implement your portions  
2 of it?

3 A We received training, yes.

4 Q Okay. If you go to page .37 in this  
5 PowerPoint deck. It's titled "General Principles  
6 for Threshold Increases," and in the middle, there  
7 is a bubble that says "Approved Threshold  
8 Increases."

9 Do you see that?

10 A Yes.

11 Q And around it, it says "Customer  
12 Generated Request." That -- that's a general  
13 principle surrounding threshold increases is that  
14 they should be customer generated, right?

15 MR. COLLINS: Objection. Form.

16 THE WITNESS: Okay.

17 BY MR. BOGLE:

18 Q Is that your understanding?

19 MR. COLLINS: Objection.

20 Mischaracterization.

21 THE WITNESS: Okay.

22 MR. COLLINS: Foundation.

23 BY MR. BOGLE:

24 Q Do you understand that to be the case?

1 MR. COLLINS: Objection. The question  
2 is vague.

3 BY MR. BOGLE:

4 Q Is that threshold increases should be  
5 customer generated?

6 A Yes.

7 Q Okay. Threshold increases should also  
8 be for a legitimate business justification, right?

9 MR. COLLINS: Objection. Vague.

10 THE WITNESS: Yes.

11 BY MR. BOGLE:

12 Q Threshold increases should be made only  
13 after the appropriate level of diligence, right?

14 MR. COLLINS: Objection. Calls for a  
15 legal conclusion.

16 THE WITNESS: Yes.

17 BY MR. BOGLE:

18 Q And threshold increases should be well  
19 documented, right?

20 A Yes.

21 Q Okay. And that's been true the entire  
22 time the threshold increase system has been in  
23 place at McKesson, right?

24 MR. COLLINS: Objection.

1 BY MR. BOGLE:

2 Q Those principles?

3 MR. COLLINS: Objection to the form.

4 THE WITNESS: I don't know. I know this  
5 was the -- you said, what date was this?

6 BY MR. BOGLE:

7 Q The document is from 2015.

8 A Yeah, I don't know if I've ever seen  
9 this. It was directed to the DRAs.

10 Q Okay.

11 A But we documented thresholds whenever we  
12 went to it, and then after that, the thresholds  
13 were only increased by the DRAs, and it was an  
14 automated system. So I couldn't do it just  
15 myself.

16 Q And that started just in the last couple  
17 years, right?

18 MR. COLLINS: Objection. Vague.

19 THE WITNESS: I don't remember exactly.  
20 '13?

21 BY MR. BOGLE:

22 Q It's a recent change, right?

23 MR. COLLINS: Objection. Vague.

24 THE WITNESS: Well, it depends on what

1       you call recent. It's been a while that we've had  
2       it that way.

3       BY MR. BOGLE:

4               Q       These general --

5               A       After the lifestyle drugs, then the DRA  
6       automatically has to approve and get the  
7       documentation.

8               Q       These general principles for threshold  
9       increases that we've reviewed, the  
10      well-documented, customer-generated, legitimate  
11      business justification, appropriate level of  
12      diligence, any of those principles that you think  
13      should not have been followed since the launch of  
14      the CSMP in 2008? Any of those principles you  
15      think that are not appropriate, don't matter?

16              MR. COLLINS: Objection. The question  
17      is confusing, compound, vague.

18              THE WITNESS: Those are the general  
19      principles.

20      BY MR. BOGLE:

21              Q       Okay. And have always been, right?

22              A       I can't answer to that.

23              Q       You don't know?

24              A       I don't know.

1           Q     And when a threshold increase is  
2     requested, there's a form that has to be  
3     completed, right?

4           A     Yes. A form or a SharePoint site.

5           Q     Okay. And the SharePoint site, there's  
6     dropboxes that you complete and documentation that  
7     is attached, right?

8           A     That's what I recall.

9           Q     Okay. And those forms or the SharePoint  
10    information is supposed to be completed at the  
11    time the threshold request is made, not at some  
12    time thereafter, right?

13               MR. COLLINS: Objection. Vague.

14               THE WITNESS: It could be after the  
15    request, because they were doing the due  
16    diligence. So I can't honestly say I put one in  
17    if I thought there was more due diligence to be  
18    done.

19    BY MR. BOGLE:

20           Q     Okay. But it would not be appropriate  
21    to increase a threshold, supply product to a  
22    customer before a threshold request increase form  
23    had been completed, true?

24               MR. COLLINS: Objection. The question

1 is vague.

2 THE WITNESS: Well, from 2000 to 2006,  
3 we usually reported those, but we already shipped  
4 them. I didn't get the report till afterwards.  
5 After the lifestyle drugs, it was more proactive  
6 in that I could get the data and send it to them  
7 electronically for them to review and then  
8 approve. So it may take some time.

9 BY MR. BOGLE:

10 Q Let me make sure that my question is  
11 clear.

12 From 2008 on, under the Controlled  
13 Substances Monitoring Program when a threshold  
14 increase was requested, the drug should not be  
15 shipped under that increased amount without a  
16 form -- threshold increase form having already  
17 been completed, true?

18 A Yes.

19 Q Okay. You mentioned red flags from a  
20 due diligence perspective a moment ago, and I want  
21 to ask you something about that. One sort of red  
22 flag aspect of the McKesson system has been  
23 setting the threshold number, whether it be 8,000  
24 under the Lifestyle Drug Monitoring Program or



1       based on the last six months of sales, that's been  
2       a red flag -- if you go above that number, that's  
3       a red flag that requires due diligence, right?

4           A       Well, we didn't call that a red flag.  
5       By red flags, I meant customers that we did  
6       Level I visits on.

7           Q       Okay. But do you consider a customer  
8       going over their threshold number a red flag that  
9       requires due diligence?

10          A       Can you define "red flag"?

11          Q       How would you define it? You used the  
12       term earlier in the deposition.

13          A       But I used it in the context of Level I,  
14       red flags to know your customer. So when we did  
15       the visit, we would make sure they met all the  
16       criteria, et cetera.

17          Q       Okay. So would you consider a customer  
18       exceeding their threshold for hydrocodone or  
19       oxycodone as being something that requires due  
20       diligence to assess whether that was legitimate  
21       for them to do so?

22                   MR. COLLINS: Objection. Form, vague,  
23       and calls for a legal conclusion.

24                   THE WITNESS: Yes, there would be some

1 kind of due diligence.

2 BY MR. BOGLE:

3 Q And another mechanism that's been  
4 employed more recently at McKesson to assess red  
5 flags for customers is looking at the percentage  
6 of controlled substances a customer purchases  
7 versus their overall prescription purchases,  
8 right?

9 A Yes, the DRAs do the -- some analysis.  
10 There is a lot of data-driven analysis that's  
11 evolved, and I know Izzy and those guys do a good  
12 job of that.

13 Q And that's not something that was done  
14 until the 2014, 2015 time frame, right, doing that  
15 sort of analysis?

16 MR. COLLINS: Objection. Vague.

17 THE WITNESS: I don't know. If they did  
18 it in 2008 or not, I don't know -- I don't know  
19 that.

20 BY MR. BOGLE:

21 Q That's an important metric, though, to  
22 look at to assess whether a customer's orders are  
23 suspicious or not is to look at whether the  
24 percentages of controlled substances versus

1 overall purchases exceeds a normal level, right?

2 MR. COLLINS: Objection. Vague, calls  
3 for a legal conclusion.

4 THE WITNESS: And that's what the DRAs  
5 did.

6 BY MR. BOGLE:

7 Q I'm asking whether you think that's  
8 something that's useful.

9 MR. COLLINS: Objection. Asked and  
10 answered, form.

11 THE WITNESS: The DRAs found it very  
12 useful, I'm sure.

13 BY MR. BOGLE:

14 Q And another mechanism that can be  
15 utilized is to look at the percentage of  
16 controlled substances by category, meaning what  
17 percentages the oxycodone purchases are over their  
18 overall prescriptions, right? You've heard of  
19 that too?

20 MR. COLLINS: Objection. Form,  
21 speculation, vague.

22 BY MR. BOGLE:

23 Q You've heard of that concept?

24 A I've heard of that.

1           Q     Okay. And from the 2008 to 2013 time  
2     frame, that's not something, to your  
3     understanding, that was utilized at McKesson,  
4     using those sort of percentages of controlled  
5     versus overall purchases and looking at specific  
6     percentages of controlled purchases for drugs,  
7     right?

8           MR. COLLINS: Objection. Form, vague,  
9     compound.

10          THE WITNESS: My understanding was it  
11     probably was used. That's my recollection.

12     BY MR. BOGLE:

13          Q     Okay. Did you ever look at any kind of  
14     data or ask for any data like that?

15          A     Yes.

16          Q     You did?

17          A     Yes.

18          Q     Okay. In the 2008 to 2013 time frame?

19          A     I can't recall specifically.

20          Q     Okay. And we looked earlier at the  
21     PowerPoint slide deck from 2007 for Mr. Walker  
22     where the DEA indicated that 5,000 dosage units  
23     was average. Do you recall that reference for  
24     controlled substances?

1           A       No, I don't, but --

2           Q       Okay. You want to go back and look at  
3       it?

4           A       Yeah.

5           Q       It's 1.1830, Exhibit 4. It's the one  
6       that looks like this (indicating) on the front.  
7       Yep. And so it was specifically page .4.

8                   And it's under "DEA Expects," and it  
9       talks about 5,000 dose units is average,  
10      quote/unquote. Do you see that?

11          A       I see that.

12          Q       Okay. And at points after 2007, the  
13      DEA did provide information to McKesson about  
14      controlled substances averages so that McKesson  
15      could utilize that in their due diligence  
16      processes, right?

17                   MR. COLLINS: Objection. Lack of  
18      foundation, calls for speculation.

19                   THE WITNESS: I'm sorry --

20                   MR. COLLINS: Calls for a legal  
21      conclusion.

22                   THE WITNESS: I'm sorry, I don't recall  
23      that. Did --

24      BY MR. BOGLE:

1 Q Okay. I'm going to hand you what I'm  
2 marking as Exhibit 1.1568, as Exhibit 9.

3 (Snider Exhibit No. 9 was marked  
4 for identification.)

5 BY MR. BOGLE:

6 Q Okay. Do you see here this is titled  
7 "Understand ARCOS Data"? Do you see that?

8 A Yes.

9 Q Okay. Below that, it says, and this is  
10 a point later in time than the 2007 reference we  
11 looked at: "According to the DEA's 2012 ARCOS  
12 data, the following are a few commonly abused  
13 drugs with the annual average -- averages number  
14 of dosage units purchased by a retail pharmacy for  
15 each of the following drugs."

16 And then you see there is hydrocodone,  
17 oxycodone, methadone, morphine, hydromorphone and  
18 oxymorphone.

19 Do you see those listed?

20 A Yes.

21 Q And then there is an annual average  
22 provided for each. Do you see that?

23 A I see the numbers, yes.

24 Q Okay. And then there's a reference

1       below that says: "Diversion can occur in  
2       purchases below the DEA national averages."

3                       Do you see that?

4               A       I see that.

5               Q       Okay. And if you go to the next page of  
6       this document, it says: "McKesson Regional  
7       Statistical Norms." Do you see that?

8               A       Yes.

9               Q       Okay. And I want to look at your  
10      region, which is under the Northeast. Do you see  
11      that for New Castle there under Northeast?

12              A       Yes.

13              Q       And it says total prescription  
14      percentage of which controlled substances should  
15      be, the norm is 19 percent in your region.

16                      Have you seen that number before?

17                      MR. COLLINS: Objection. Lack of  
18      foundation.

19                      THE WITNESS: No.

20      BY MR. BOGLE:

21              Q       You've never seen that reference before?

22              A       No.

23              Q       Okay. Then it lists out the norms for  
24      various other controlled substances specifically.

1 Do you see that?

2 MR. COLLINS: Objection. Lack of  
3 foundation.

4 THE WITNESS: What is a norm? I'm not  
5 sure. You'll have to help me with this.

6 BY MR. BOGLE:

7 Q Well, the document is titled "McKesson  
8 Regional Statistical Norms." Do you see that?

9 A Yes.

10 MR. COLLINS: Objection. There's been  
11 no testimony this witness has any firsthand  
12 knowledge of this document. Lack of foundation.

13 BY MR. BOGLE:

14 Q So for oxycodone, it says --

15 MR. COLLINS: I'm sorry. Please let me  
16 finish my objection.

17 BY MR. BOGLE:

18 Q -- 5 percent of the total prescriptions  
19 for oxycodone is a regional statistical norm for  
20 your region. Do you see that?

21 MR. COLLINS: Objection. Lack of  
22 foundation. No firsthand knowledge has been  
23 established this witness has any knowledge of this  
24 document.



1 THE WITNESS: It says, "Percent of  
2 total, plus or minus .25 percent." I see that.

3 BY MR. BOGLE:

4 Q Right. And it's 5 percent listed there  
5 of oxycodone. The 5 percent of oxycodone -- 5  
6 percent of the total purchases is the regional  
7 norm for oxycodone in your region. Do you see  
8 that?

9 MR. COLLINS: Objection. Lack of  
10 foundation.

11 THE WITNESS: I'm sorry, I don't  
12 understand the regional norm that you're saying.

13 BY MR. BOGLE:

14 Q Have they ever shown this document to  
15 you?

16 A I don't remember seeing this.

17 Q McKesson? Anybody? So nobody has ever  
18 talked to you about what the regional norms are  
19 for your -- the region that your distribution  
20 center covers --

21 MR. COLLINS: Objection --

22 BY MR. BOGLE:

23 Q -- for these controlled substances?

24 MR. COLLINS: Objection. The question

1 is compound and argumentative.

2 THE WITNESS: No, I've never seen the  
3 Northeast for all these DCs: Boston, New Castle,  
4 Rockhill, Buffalo.

5 BY MR. BOGLE:

6 Q Okay. You see this is an internal  
7 McKesson document, right?

8 MR. COLLINS: Objection. Lack of  
9 foundation.

10 BY MR. BOGLE:

11 Q It says "McKesson" on it.

12 A I don't -- I don't have any knowledge.

13 Q It's got a Bates stamp produced from  
14 defense counsel for McKesson, coming from  
15 McKesson's files. Do you see that?

16 MR. COLLINS: Objection. If you're  
17 testifying to that, that's fine. He doesn't have  
18 any knowledge of that.

19 BY MR. BOGLE:

20 Q Do you see that?

21 A I'm sorry. Can you --

22 Q First of all, McKesson, you see that?

23 MR. BOGLE: Can we highlight that?

24 THE WITNESS: I think I'll testify that

1 I've never seen this document before.

2 BY MR. BOGLE:

3 Q Yeah, I'm just asking.

4 So the annual data from 2012, the ARCOS  
5 data, the averages, nobody has ever told you about  
6 that -- those numbers either?

7 A I've never seen this document.

8 Q Outside of this document, anybody ever  
9 talk to you about what the averages are nationally  
10 for any of these drugs?

11 A No, not nationally.

12 Q No. Or regionally?

13 A No.

14 MR. COLLINS: Objection to the word  
15 "regionally."

16 BY MR. BOGLE:

17 Q When you're out there conducting reviews  
18 of customers, your due diligence component of --  
19 of your job, you would agree with me that  
20 assessing whether the customer has significant  
21 business coming from pain clinics is relevant in  
22 assessing whether to increase an opioid threshold,  
23 right?

24 MR. COLLINS: Objection. Form,

1 foundation.

2 THE WITNESS: I would assess all aspects  
3 of the customer.

4 BY MR. BOGLE:

5 Q Right. And specifically, whether they  
6 do substantial business with pain clinics is  
7 relevant to consider whether to increase an opioid  
8 threshold, right?

9 A I'm not sure.

10 Q You don't know whether that's a red  
11 flag?

12 A Yes, if it's over. But I've seen  
13 customers supply to pain clinics and they aren't  
14 over the threshold.

15 Q Okay. So I'm talking about increasing a  
16 customer's threshold. You would agree with me  
17 that one thing to look for that would be a  
18 potential red flag is doing substantial business  
19 with a pain clinic. Right?

20 MR. COLLINS: Objection. Form, the  
21 question is vague.

22 THE WITNESS: It would be a red flag  
23 only if it exceeded the thresholds by large  
24 amounts and they couldn't substantiate it. And it

1 would also depend on the era that we're talking  
2 about. I don't know if I -- 2000 to 2006, I  
3 would -- I would necessarily know that.

4 BY MR. BOGLE:

5 Q Okay. Well, let me hand you what I'm  
6 marking as Exhibit 1.1829, Exhibit 10.

7 (Snider Exhibit No. 10 was marked  
8 for identification.)

9 MR. COLLINS: Thank you.

10 BY MR. BOGLE:

11 Q You see here this is a letter from a law  
12 firm, Hyman, Phelps and McNamara, April 25, 2007.  
13 Do you see that?

14 A Yes.

15 MR. COLLINS: Objection. Lack of  
16 foundation.

17 BY MR. BOGLE:

18 Q And they're sending this to Linden  
19 Barber, Associate Chief Counsel for the DEA. Do  
20 you see that?

21 A Yes.

22 Q Okay. And if you look at this letter,  
23 specifically page .3, number 5 says: "The  
24 McKesson DC management or regulatory staff, where

1 appropriate, will conduct a further review to  
2 verify information provided by its customers. For  
3 example, if a pharmacy claims that it is receiving  
4 increased prescriptions from a pain clinic,  
5 McKesson will attempt to verify such information  
6 with the clinic as well as request further  
7 documentation that the clinic is issuing  
8 prescriptions in the course of legitimate medical  
9 practice."

10 Do you see that?

11 A Yes.

12 Q Do you see the statement was provided to  
13 the DEA in April 25, 2007?

14 MR. COLLINS: Objection.

15 BY MR. BOGLE:

16 Q Do you see that's the date?

17 MR. COLLINS: Objection. Lack of  
18 foundation. This witness hasn't testified he has  
19 any knowledge of this letter, nor to establish  
20 that.

21 THE WITNESS: I have no knowledge of  
22 this. I can't testify -- only to what it says  
23 here on the document.

24 BY MR. BOGLE:

1           Q     That's where we're starting. I'm going  
2     from there.

3           A     Okay.

4           Q     So that's what it says, right?

5           A     I'm sorry, you asked me if it was  
6     supplied to the DEA or to -- from the DEA. I  
7     don't know that.

8           Q     We know this letter was written to the  
9     DEA, to Chief Counsel of the DEA. That's what it  
10    says, right?

11               MR. COLLINS: Objection. You haven't  
12    established that.

13               THE WITNESS: I don't know.

14    BY MR. BOGLE:

15           Q     Okay. Well, let's establish that. By  
16    facsimile confirmation by mail, a copy by mail,  
17    "Linden Barber, Associate Chief Counsel, Diversion  
18    and Regulatory Litigation Section, Drug  
19    Enforcement Administration."

20                     Do you see that?

21           A     I see that.

22           Q     Okay, thank you.

23                     Now, going back to the sentence that I  
24    read to you --

1 MR. COLLINS: I'm sorry, that hasn't  
2 established anything.

3 BY MR. BOGLE:

4 Q -- did anyone tell you in --

5 MR. COLLINS: I'm sorry, let me --

6 MR. BOGLE: I'm asking a question.

7 BY MR. BOGLE:

8 Q Did anyone tell you in 2007 --

9 MR. COLLINS: I'm sorry, I need -- let  
10 me finish my objection, please.

11 BY MR. BOGLE:

12 Q Did anyone tell you in 2007 that part of  
13 your responsibilities as DC management included  
14 when a customer requested a threshold increase, to  
15 assess whether they have significant business from  
16 a pain clinic and to verify the legitimacy of that  
17 business? Did anyone ever tell you to do that?

18 MR. COLLINS: Objection. The question  
19 is compound in multiple ways. So it's vague.

20 THE WITNESS: I don't recall  
21 specifically, but the director of Regulatory  
22 Affairs would in fact get that information.

23 BY MR. BOGLE:

24 Q It says -- let's go back to number 5.



1 "The McKesson DC management or regulatory staff,"  
2 we'll start with that. Do you see that?

3 A Yeah, I don't know what this document  
4 even is. I have to apologize.

5 Q I'm asking you a question. Okay. Just  
6 listen to my question.

7 A Okay.

8 Q When McKesson DC management or  
9 regulatory staff -- so DC management, that's you,  
10 right?

11 MR. COLLINS: Objection. You haven't  
12 established this witness has any firsthand  
13 knowledge of this document.

14 MR. BOGLE: That's the whole purpose is  
15 that if he doesn't, that's a big problem.

16 MR. COLLINS: The witness has already  
17 testified, and you're testifying as to what the  
18 contents are. Typically it goes question and  
19 answer where you elicit information from a  
20 witness.

21 MR. BOGLE: You're -- you're -- you're  
22 not even objecting. You're just talking.

23 MR. COLLINS: No, no, because you're  
24 ignoring the objection. The witness has no

1        firsthand knowledge about the document.

2        BY MR. BOGLE:

3                Q        "For example, if the pharmacy claims it  
4        is receiving increased prescriptions from a pain  
5        clinic, McKesson will attempt to verify such  
6        information with the clinic as well as request  
7        further documentation that the clinic is issuing  
8        prescriptions in the course of legitimate medical  
9        practice."

10                      Do you see that sentence?

11                A        I see it.

12                Q        That's something that you and the  
13        regulatory staff should have been doing when  
14        assessing threshold increases for your customers,  
15        true?

16                      MR. COLLINS:  Objection.  Lack of  
17        foundation, lack of establishing the witness's  
18        firsthand knowledge of this document or the  
19        question or the foundation for it.

20                      THE WITNESS:  I don't know this document  
21        at all.  I'm sorry.

22        BY MR. BOGLE:

23                Q        Is that -- is that something that you  
24        should have been doing?

1 MR. COLLINS: Objection. Form.

2 THE WITNESS: Not in 2000 to 2006, and  
3 the DRAs did that, I'm sure.

4 BY MR. BOGLE:

5 Q What about from 2007 on?

6 A The DRAs did that.

7 Q Okay. So nobody ever told you --  
8 because DC management is also referenced here,  
9 nobody ever told you you had any role in that  
10 process?

11 A I did the Level Is and I did the  
12 threshold increases. It was handled by the DRA  
13 whether it was approved or not. I couldn't do it  
14 on my own unilater -- unilateral.

15 Q So is it your testimony that for New  
16 Castle at least after 2007, that this assessment  
17 that's talked about in this sentence I read to you  
18 was actually done for the New Castle customers?

19 A As part of the SOP, I believe it was  
20 done by the DRA, yes.

21 Q Okay. Your testimony is it was done for  
22 New Castle customers.

23 A For the -- yes, by the DRA.

24 Q Okay. Have you reviewed the Controlled

1 Substances Monitoring Program that was -- that has  
2 been in place since 2008, the various versions of  
3 it?

4 MR. COLLINS: Objection. Vague.

5 THE WITNESS: Yes.

6 BY MR. BOGLE:

7 Q Have you read the SOPs itself?

8 A Yes.

9 Q Okay. And you know starting in 2015 the  
10 Controlled Substances Monitoring Program included  
11 a specific section talking about red flags, right?

12 A I don't recall that. If you could show  
13 me, I would be more inclined to remember.

14 Q All right.

15 MR. BOGLE: What number are we on?

16 MR. COLLINS: 11, I think.

17 (Snider Exhibit No. 11 was marked  
18 for identification.)

19 MR. COLLINS: Are you okay?

20 THE WITNESS: Yeah.

21 BY MR. BOGLE:

22 Q All right. I'm handing you Exhibit 11,  
23 which is also Exhibit 1.1146. This is titled  
24 "McKesson CSMP Red Flags, May 2015."

1                   Do you recall ever seeing this portion  
2       of the Controlled Substances Monitoring Program?

3           A       I do recall.

4           Q       You do?

5           A       Yes.

6           Q       Okay. And I want to look at a couple of  
7       aspects of this here. Under that, it says:  
8       "McKesson CSMP has identified certain,"  
9       quote/unquote, "red flags that are indicators or  
10      areas of possible concern regarding shipments of  
11      controlled substances. Additionally, the red  
12      flags discussed herein are not intended to be all  
13      inclusive as they can change over time depending  
14      on a variety of factors, e.g., new regulations,  
15      new drugs coming to market or advancements of  
16      technology."

17                   Do you see that?

18          A       Yes.

19          Q       In the second paragraph, the last  
20      sentence, it says: "Nevertheless, it is important  
21      that when red flags are identified, they are  
22      reviewed to ensure appropriate due diligence."

23                   Do you see that?

24          A       Yes.

1           Q     Okay. And below that, it says: "This  
2     document is designed to separate red flags into  
3     two categories. The first section, apparent red  
4     flags, list those that are readily identifiable."

5                     Do you see that?

6           A     Yes.

7           Q     Okay. I want to look at a couple of  
8     those. Section 1 says "Apparent red flags." Do  
9     you see that section?

10          A     Yes.

11          Q     It says: "Below is a list of examples  
12     of the more readily identifiable red flags. These  
13     do not require expertise or extensive analysis in  
14     order to identify them."

15                     Do you see where I read that?

16          A     Yes.

17          Q     Okay. And if you go to page .3, this is  
18     under the section "Responses in the customer  
19     questionnaire," do you see letter M says: "The  
20     pharmacy's primary business model involves filling  
21     prescriptions for or dispensing directly to pain  
22     clinics."

23                     Do you see that?

24          A     Yes.

1 Q Okay. So that's identified as one of  
2 the apparent red flags, right?

3 A Yes.

4 Q Okay. And that's something, quite  
5 frankly, that as we saw back in 2007, was already  
6 identified as a red flag of something McKesson  
7 should be concerned about, right?

8 A Yes. I believe it said internet  
9 pharmacy on the Level I questionnaire.

10 Q Okay. I'm talking -- this talks about  
11 pain clinics. Do you see that, though?

12 A Oh, yes.

13 Q Okay. And business with pain clinics  
14 has long been identified as a potential red flag  
15 at McKesson, right?

16 MR. COLLINS: Objection. Vague. Form.

17 THE WITNESS: At least that's down here,  
18 yes.

19 BY MR. BOGLE:

20 Q At least as 2007, the document we saw  
21 that was sent by counsel for McKesson to the DEA  
22 identified this as something that was going to be  
23 investigated back in 2007, right?

24 MR. COLLINS: Objection. Assumes facts

1 not in evidence. The witness has no firsthand  
2 knowledge of that letter, as we've already  
3 established.

4 THE WITNESS: I don't have any knowledge  
5 of that.

6 BY MR. BOGLE:

7 Q Do you have any reason to think that the  
8 primary business model involving filling  
9 prescriptions for or dispensing directly to pain  
10 clinics is a red flag that could not have been  
11 identified prior to 2015?

12 MR. COLLINS: Objection. The question  
13 is compound, it's vague.

14 THE WITNESS: I have no reason to  
15 believe.

16 BY MR. BOGLE:

17 Q Okay. Let's look at Q. It says: "The  
18 pharmacy's business model centers on controlled  
19 substances where the pharmacy is planning to  
20 expand its controlled substance business."

21 Do you see that?

22 A Yes.

23 Q That's a common sense red flag, right?  
24 That makes logical sense.



1 MR. COLLINS: Objection. Form.

2 Compound.

3 And I'm sorry, is that a question?

4 MR. BOGLE: Yeah.

5 BY MR. BOGLE:

6 Q Does that make common sense to you that  
7 that would be a red flag?

8 A That would be --

9 MR. COLLINS: Objection. Vague.

10 THE WITNESS: That would be something I  
11 would look at or the DRA would look at.

12 BY MR. BOGLE:

13 Q Okay. Because that's a potential red  
14 flag, right?

15 MR. COLLINS: Objection to form.

16 BY MR. BOGLE:

17 Q Yes or no, sir?

18 A Okay. Yes.

19 Q Section 2 -- I'm on page .4 now -- talks  
20 about detailed red flags. And under  
21 "Nonstatistical red flags," the first is  
22 geographic location. Do you see that?

23 A Yes.

24 Q And it says under A there: "The

1 pharmacy located in a geographic area known or  
2 suspecting -- suspected of having higher than  
3 normal prescription drug diversion or level of  
4 prescribing. This would include areas where  
5 diversion schemes are known to be centrally  
6 located."

7 Do you see that?

8 A Yes.

9 Q Do you think that makes sense as a  
10 common sense red flag?

11 MR. COLLINS: Objection. Vague. Form.

12 THE WITNESS: It would make sense to me.

13 BY MR. BOGLE:

14 Q Okay. Let's go to under number 2. Do  
15 you see where it says "Pharmacy's business model"  
16 on that page?

17 A Yes.

18 Q And then on the next page, continuing  
19 that section, letter D says: "There is a pain  
20 clinic located inside of or is part of the  
21 pharmacy."

22 Do you see that?

23 A Yes.

24 Q Do you think that's a common sense red

1 flag?

2 A It would be something to look at, yes.

3 Q Okay. Number 3 says: "Governmental  
4 information/inquiry." Letter A says:  
5 "Inquiry/subpoena by government agency regarding  
6 customer."

7 Do you see that?

8 MR. COLLINS: Objection. Vague.

9 BY MR. BOGLE:

10 Q Do you -- do you agree that's a common  
11 sense red flag for McKesson?

12 MR. COLLINS: Objection. Vague as to  
13 time frame.

14 THE WITNESS: It's something to inquire,  
15 I agree with that.

16 BY MR. BOGLE:

17 Q And that's something if you got a  
18 subpoena from a governmental agency regarding your  
19 customer and their dispensing of opioids back in  
20 2008, that would be a red flag too, right?

21 MR. COLLINS: Objection. Vague. Form.

22 THE WITNESS: If I -- if I got the  
23 subpoena?

24 BY MR. BOGLE:

1 Q Yeah.

2 A Yes, that's something I would know and  
3 look at.

4 Q Okay. Number 4 says: "Integrity  
5 concerns," and specifically under E, it says:  
6 "Discipline of any pharmacy employee by a state  
7 licensing authority or other regulatory agency  
8 within the past 10 years."

9 Do you see that?

10 A Yeah -- yes.

11 Q And at all times that you've been  
12 director of operations at New Castle, that would  
13 be a common sense red flag to be investigated,  
14 right?

15 MR. COLLINS: Objection. Form.

16 THE WITNESS: I remember I didn't know  
17 that until the internet searches, probably 2006 or  
18 '7.

19 BY MR. BOGLE:

20 Q Okay. So starting in 2006, 2007, to you  
21 going forward, that would be a common sense red  
22 flag if you saw that, that needed investigating,  
23 right?

24 A Yes.

1           Q     And then the last couple I want to do  
2     here, and then we can take a -- a break if you  
3     need to.

4                     Number 5 on page .6, talks about other  
5     distributors. Do you see that?

6           A     Yes.

7           Q     And A, it says: "Pharmacy purchases  
8     controlled substances from other distributors."

9                     Do you see that?

10          A     Yes.

11          Q     Okay. Is that something that you would  
12     investigate when evaluating a customer's opioid  
13     purchases going back even to 2006 to present?

14                     MR. COLLINS: Objection. Form. Vague.

15                     THE WITNESS: I couldn't always  
16     investigate, but it would be something I think  
17     they ask on the questionnaire. And then later on,  
18     now we have software that's involved that we  
19     can -- I think the DEA has provided that, that we  
20     can see all of the wholesaler purchases. So the  
21     DRA can take a look at that. I'm not privy to  
22     that, but the DRAs know that information.

23     BY MR. BOGLE:

24          Q     But that's the sort of information that

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1 would be useful to know, especially when trying to  
2 decide whether to increase the threshold for  
3 opioids, right?

4 MR. COLLINS: Objection to the form.  
5 The question is vague, incomplete.

6 THE WITNESS: Okay. I'm sorry, can you  
7 repeat the --

8 BY MR. BOGLE:

9 Q Sure.

10 Whether the pharmacy purchases from  
11 multiple distributors would at all times be  
12 something that would be important for McKesson to  
13 know when considering whether to increase a  
14 threshold for opioids, for example?

15 MR. COLLINS: Objection to the form, the  
16 use of --

17 BY MR. BOGLE:

18 Q Do they buy opioids from another  
19 distributor?

20 MR. COLLINS: Objection to the question  
21 to the extent it references "at all times."

22 THE WITNESS: I would like to know that.

23 BY MR. BOGLE:

24 Q All right. B says: "Other distributors

1       have restricted or ceased selling controls to the  
2       customer or potential customer in the past five  
3       years."

4                       Do you see that?

5               A       Yes.

6               Q       And again, from the period of time that  
7       you started as director of operations in 2000 to  
8       present, that's something you think is reasonable  
9       for McKesson to want to know, right?

10                   MR. COLLINS:  Objection to the form,  
11       compound, calls for a legal conclusion.

12                   THE WITNESS:  I'd like to know why.

13       BY MR. BOGLE:

14               Q       Okay.  But you can't know why unless you  
15       know if, right?

16                   MR. COLLINS:  Objection.  The question  
17       is vague.

18                   THE WITNESS:  That's vague to me.  Can  
19       you restate that, please?

20       BY MR. BOGLE:

21               Q       Yeah.  You can't ask why if you don't  
22       know whether it's happened, right?

23                   MR. COLLINS:  Same objection.

24                   THE WITNESS:  Okay.  I'm not sure --

1 BY MR. BOGLE:

2 Q Do you agree with that premise?

3 MR. COLLINS: The question doesn't make  
4 any sense. Objection to form.

5 BY MR. BOGLE:

6 Q You can't ask why another distributor  
7 cut off or restricted or ceased selling controls  
8 to a customer unless you've asked whether that  
9 actually has occurred, right?

10 A Yes.

11 Q Okay. And then the last one under  
12 "Statistical red flags," under A, and this is what  
13 we looked at a minute ago, it says: "A customer's  
14 control/Rx ratio, when compared to similar  
15 customers serviced by the same distribution  
16 center seems unusually high. As a benchmark, DEA  
17 has previously stated that an average retailer  
18 pharmacy's controls/prescription ratio is  
19 approximately 20 to 25 percent."

20 Do you see that?

21 A Yes.

22 Q I think you said earlier that's not a  
23 concept that you were familiar with before today,  
24 right?



1 MR. COLLINS: Objection. Form.

2 THE WITNESS: I don't remember  
3 testifying to that.

4 BY MR. BOGLE:

5 Q Okay. We looked at the DEA document  
6 where they provided these kind of averages.

7 MR. COLLINS: Objection. Lack of  
8 foundation.

9 THE WITNESS: I'm not sure that I  
10 testified to that.

11 BY MR. BOGLE:

12 Q Okay. Well, is this something you're  
13 familiar with prior to today?

14 A Yes.

15 Q Okay. And do you agree that that's a  
16 reasonable red flag that requires further due  
17 diligence?

18 MR. COLLINS: Objection. The question  
19 is vague as to time frame.

20 THE WITNESS: Yes. I agree that when  
21 that data became available, that that was a part  
22 of the due diligence.

23 BY MR. BOGLE:

24 Q Well, it's always been available.

1 McKesson just never asked for it until the last  
2 few years, right?

3 MR. COLLINS: Objection.  
4 Mischaracterization.

5 THE WITNESS: I don't agree with that.  
6 BY MR. BOGLE:

7 Q Okay. So are you saying McKesson was  
8 unable to, say, for example, in 2009, ask for the  
9 complete dispensing data from a -- from a customer  
10 and then run the numbers?

11 A I don't know that.

12 Q Okay. Have you ever asked a customer  
13 for complete dispensing data so an analysis could  
14 be done as to how much of those purchases were  
15 controlled substances?

16 A Between what years, please?

17 Q 2008 to 2013.

18 A Have I?

19 Q Sure.

20 A No. That's usually the DRA.

21 Q Have you ever seen a DRA do it during  
22 that five-year time frame for a New Castle  
23 customer?

24 A What five years?

1 Q 2008 to 2013.

2 A Yes.

3 Q You've seen them do this specific  
4 analysis?

5 A Yes.

6 Q Okay. So you know it can be done.

7 A Yes.

8 Q Okay. And it's a reasonable analysis to  
9 conduct, right?

10 MR. COLLINS: Objection. Vague, form.

11 THE WITNESS: If you can, I think it  
12 would be a good idea.

13 MR. BOGLE: Yeah. Let me look real  
14 quick. I think -- yeah. We can take a break now  
15 is good.

16 MR. COLLINS: Yep.

17 THE VIDEOGRAPHER: The time is  
18 11:14 a.m. We're going off the record.

19 (Recess.)

20 THE VIDEOGRAPHER: The time is 11:29  
21 a.m., and we're back on the record.

22 BY MR. BOGLE:

23 Q All right. Mr. Snider, the -- your New  
24 Castle Distribution Center is in -- located in

1       Pennsylvania, right?

2               A       Yes.

3               Q       Okay. But you guys service customers  
4       outside of the state of Pennsylvania, correct?

5               A       Yeah -- oh, yes.

6               Q       For example, you service customers in  
7       Ohio, right?

8               A       Yes.

9               Q       You service customers in West Virginia,  
10       right?

11              A       Yes.

12              Q       Okay. And we talked a little bit about  
13       the opioid epidemic earlier in your deposition,  
14       but you understand that West Virginia is one of  
15       the states that's been hit hardest by the opioid  
16       epidemic, right?

17              A       Yes.

18              Q       And In fact, there have been  
19       congressional investigations into McKesson's  
20       conduct specific to pharmacies supplied in West  
21       Virginia.

22                      Do you understand that?

23                      MR. COLLINS: Objection. Form.

24                      THE WITNESS: I don't know that. I'm

1       sorry.

2       BY MR. BOGLE:

3               Q       Okay. You've never been told that?

4               A       No.

5               Q       Okay.

6                       (Snider Exhibit No. 12 was marked  
7                       for identification.)

8       BY MR. BOGLE:

9               Q       I'm going to hand you 1.44, Exhibit 12  
10       to your deposition.

11                      Okay. This is noted at the top to be  
12       from the House of Representatives, Congress of the  
13       United States, February 15, 2008. Do you see  
14       that?

15              A       Yes.

16              Q       Okay. And it's a letter sent to  
17       Mr. John Hammergren. That's the CEO of McKesson,  
18       right?

19                      MR. COLLINS: Objection. Lack of  
20       foundation.

21                      THE WITNESS: Yes.

22       BY MR. BOGLE:

23              Q       Do you see where it's -- he's noted to  
24       be the recipient, "Dear Mr. Hammergren"?

1           A       I would think he got it.

2                   MR. COLLINS:  Objection.

3       BY MR. BOGLE:

4           Q       Do you see that this was designed to be  
5       sent to him, right?

6                   MR. COLLINS:  Objection.  The witness  
7       has no firsthand knowledge.

8                   THE WITNESS:  I don't know anything  
9       about this document, so I can't answer to that.

10       BY MR. BOGLE:

11           Q       All right.  But you see it says, "Dear  
12       Mr. Hammergren," right?  Do you see that on the  
13       first page?

14           A       Yeah, I see that.

15           Q       You see that?

16           A       Yeah.

17           Q       Okay.  And so if you look at the first  
18       page of this document, it says in the second  
19       paragraph, "As part of our investigation."  Do you  
20       see that?

21           A       Yes.

22           Q       It says:  "As part of our investigation,  
23       the Committee wrote to you on May 8, 2017,  
24       regarding your distribution practices generally,

1       and in particular with respect to West Virginia.  
2       As we mentioned in the letter, the opioid epidemic  
3       has been particularly devastating to West  
4       Virginia. For example, in 2015, West Virginia had  
5       the highest opioid overdose death rate in the  
6       nation."

7                   And then it goes on, the last sentence  
8       in that paragraph says: "Court filings also  
9       indicate that between 2007 and 2012, McKesson  
10      distributed 46,179,600 doses of hydrocodone and  
11      54,304,980 doses of oxycodone, meaning that  
12      McKesson shipped a total of 100,484,580 doses to  
13      West Virginia during this time period."

14                   Have you ever seen that kind of data  
15      talking about the number of hydrocodone and  
16      oxycodone pills McKesson distributed to West  
17      Virginia during this time frame?

18           A       No, I haven't.

19           Q       Okay. You know that a fair amount of  
20      those pills that are being referenced here came  
21      from your distribution center, right?

22                   MR. COLLINS: Objection. Lack of  
23      foundation. Lack of firsthand knowledge.

24                   THE WITNESS: I don't know that.

1 BY MR. BOGLE:

2 Q Okay. Well, you know from 2007 to 2012  
3 that -- that the New Castle Distribution Center  
4 was sending hydrocodone and oxycodone to  
5 pharmacies in West Virginia, right?

6 A Yes.

7 Q Okay. So, therefore, you must present  
8 some of this number coming from New Castle, right?

9 MR. COLLINS: Objection. The question  
10 is vague.

11 THE WITNESS: If I could answer that,  
12 the DEA has done audits on us. We've never been  
13 found to do anything wrong. New Castle has an  
14 exemplary record.

15 MR. BOGLE: Move to strike as  
16 nonresponsive.

17 BY MR. BOGLE:

18 Q My question simply was, of these 100  
19 million plus doses referenced here, you know that  
20 a portion of those came from your distribution  
21 center --

22 MR. COLLINS: Objection.

23 BY MR. BOGLE:

24 Q -- during this time frame, correct?



1 MR. COLLINS: The question was asked and  
2 answered last -- a moment ago.

3 BY MR. BOGLE:

4 Q Correct?

5 MR. COLLINS: Same -- same objection.  
6 Asked and answered.

7 THE WITNESS: A -- a portion probably  
8 did.

9 BY MR. BOGLE:

10 Q Well, you know they did, right? From  
11 2007 to 2012, you know that the New Castle  
12 Distribution Center was servicing West Virginia  
13 pharmacies, right? So it has to be part of this  
14 number, true?

15 MR. COLLINS: Objection.

16 BY MR. BOGLE:

17 Q You know that.

18 MR. COLLINS: Objection. The question  
19 is compound three different ways. It's  
20 argumentative. It's been asked and answered.

21 BY MR. BOGLE:

22 Q You know that, don't you?

23 MR. COLLINS: Objection. Form.

24 THE WITNESS: I've never seen this

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1 document. And we do have customers in West  
2 Virginia.

3 BY MR. BOGLE:

4 Q Okay. But you know that -- okay. I  
5 think the document speaks for itself.

6 Now, specifically in West Virginia,  
7 Mace's is one of the pharmacies that New Castle  
8 has serviced over time, right?

9 A I believe so.

10 Q Okay. You recall we saw Mace's Pharmacy  
11 referenced in that 2007 chart which indicated them  
12 exceeding their thresholds in opioids in November  
13 2007. Do you recall discussing that?

14 MR. COLLINS: Objection.  
15 Mischaracterization, lack of foundation, lack of  
16 knowledge.

17 THE WITNESS: I do recall seeing the  
18 document. I believe Mace's was on it.

19 BY MR. BOGLE:

20 Q Okay. Now, at your distribution center  
21 for the conduct that occurred prior to McKesson  
22 switching over to SharePoint, you actually have  
23 hard copy files for many of the pharmacies that  
24 you serviced, right?

1 MR. COLLINS: Objection. The question  
2 is vague. In multiple ways it's vague.

3 THE WITNESS: We have Level I visits  
4 documented. I believe I sent that data in.

5 BY MR. BOGLE:

6 Q As well as threshold request increases  
7 prior to you guys going to SharePoint, right?

8 A Yes.

9 Q Okay. In addition, you've got any  
10 documentation that was sent to you by the pharmacy  
11 to review the Level Is or threshold request  
12 increases during that time frame, right?

13 MR. COLLINS: Objection. The question  
14 is vague.

15 THE WITNESS: I don't know that.

16 BY MR. BOGLE:

17 Q Okay. Well, you keep -- you tried to  
18 keep a complete file during that time frame,  
19 right?

20 MR. COLLINS: Objection. The question  
21 is vague.

22 THE WITNESS: What's complete?

23 BY MR. BOGLE:

24 Q You tell me.

1 MR. COLLINS: Wait a second.

2 BY MR. BOGLE:

3 Q You try to keep everything that a  
4 customer gives you to support any threshold  
5 increase that you would have approved, right?

6 MR. COLLINS: Same objection. The  
7 question is vague as to time frame. Are you  
8 talking about present possession of documents?

9 THE WITNESS: E-mails or phone calls, I  
10 couldn't -- I couldn't tell you.

11 BY MR. BOGLE:

12 Q Okay. But we can agree that from the  
13 time period when the CSMP was implemented in 2008  
14 until you guys went to SharePoint, which I believe  
15 was sometime in 2010, during that two or so year  
16 window, there's hard copy files kept of due  
17 diligence related documents at New Castle for your  
18 customers, right?

19 MR. COLLINS: Objection. Assumes facts  
20 not in evidence.

21 THE WITNESS: I don't have those files  
22 anymore, no.

23 BY MR. BOGLE:

24 Q You turned them over for this

1       litigation, though, didn't you?

2               A       Yes.

3               Q       Okay. All right. I'm going to hand  
4       you -- marking as Exhibit 13, also Exhibit 1.1824.

5                       (Snider Exhibit No. 13 was marked  
6                       for identification.)

7       BY MR. BOGLE:

8               Q       Okay. And you see this is a document;  
9       the first page entitled "Mace's Pharmacy"; do you  
10      see that?

11              A       Yes.

12              Q       Okay. Thereafter, this is all provided  
13      to us as one document.

14                     Does this look like your file from  
15      Mace's Pharmacy for 2008 to 2010?

16                     MR. COLLINS: Objection.

17                     THE WITNESS: I don't know all of it.

18      BY MR. BOGLE:

19              Q       You don't -- excuse me?

20              A       I don't know all of it. I haven't seen  
21      it yet.

22              Q       Okay. Let's take a look at it.

23              A       I'd have to go through them.

24              Q       Okay. Let's take a look at it. First

1 of all, if you go to page .11, do you see there's  
2 a pharmacy questionnaire there dated June 4, '07?  
3 Do you see that?

4 A Yes.

5 Q Okay. And you see you actually signed  
6 off on this questionnaire. You're the third  
7 signature down --

8 MR. COLLINS: Objection.

9 BY MR. BOGLE:

10 Q -- right?

11 MR. COLLINS: Objection to the term  
12 "signed off."

13 BY MR. BOGLE:

14 Q Is that your signature, "Blaine Snider,  
15 DO"?

16 A Yes.

17 Q Okay. So this is obviously something  
18 you've seen before, right, this questionnaire for  
19 this pharmacy?

20 A Yes.

21 Q Okay. And if you go to the next  
22 page .12, number 8 on the questionnaire asks:  
23 "How many prescriptions for the following products  
24 does the pharmacy fill on a daily basis?"

1                   And the information conveyed for  
2           hydrocodone was 15 and oxycodone .41, and then  
3           it's noted, "Less than half a person, OxyContin  
4           only."

5                   Do you see those two?

6           A       Yes.

7           Q       Okay. And you recall that pretty  
8           quickly after this questionnaire was completed in  
9           June 2007, you specifically had concerns about  
10          whether Mace's was diverting opioids, correct?

11          A       I don't remember.

12          Q       Okay. Well, let's take a like at  
13          page .49 in this document.

14                   I'm looking at the e-mail on the bottom  
15          of this page that carries over to the next page.  
16          It's from you, October 9, 2007, to a Jim  
17          Gavatorta, cc Brian Ferreira.

18                   Do you see that?

19          A       Yes.

20          Q       Entitled "Mace's Hydrocodone."

21          A       Yes.

22          Q       Okay. And who is -- who is Jim  
23          Gavatorta? What did he do?

24          A       He was the executive salesperson.

1 Q Okay. And Brian Ferreira, I think you  
2 said was vice president/general manager?

3 A Yes.

4 Q What sort of oversight did Brian  
5 Ferreira provide for you?

6 A He was in charge of the distribution  
7 center over all the operations, my boss, and Jim  
8 reported to him directly.

9 Q Reported to him, you said?

10 A Yeah.

11 Q Okay. All right. Let's go to the next  
12 page for the substance of the e-mail.

13 You say: "Jim, let me know re Mace's.  
14 Could be a good candidate for a Level II,"  
15 question mark. "They, 868673, had 10,764 doses of  
16 hydrocodone in July. In August it was 27,716,  
17 possibly due to duplicate T&T orders. The account  
18 still had 26,464 doses in September. Can you look  
19 into? This customer and Town & Country are the  
20 only two retail accounts that have over 20,000  
21 doses in any of the lifestyle drugs this month."

22 Do you see that?

23 A Yes.

24 Q Okay. And Mace's was a -- is a pharmacy



1 in West Virginia, right, just so we're clear?

2 A Yes.

3 Q Okay. And what ended up happening  
4 thereafter is another visit and another  
5 questionnaire was completed in December 2007  
6 related to Mace's, right?

7 MR. COLLINS: Objection. Lack of  
8 foundation.

9 BY MR. BOGLE:

10 Q To investigate your concerns here.

11 MR. COLLINS: Objection. Lack of  
12 foundation.

13 THE WITNESS: I'm sorry, I'd have to  
14 look through it.

15 BY MR. BOGLE:

16 Q Okay.

17 A You want me to do that?

18 Q We're going to go there. I'm just  
19 asking your recollection first.

20 But, actually, before we go there, this  
21 e-mail was sent October 9, 2007, and references  
22 purchases from July, August, and September of 2007  
23 for hydrocodone, right?

24 MR. COLLINS: Objection. Form.

1 BY MR. BOGLE:

2 Q That's what you say.

3 A Yeah, as part of the Level I to get a  
4 three-month purchase report.

5 Q Right. And so at this point in time, we  
6 can see that for July, August and September of  
7 2007, Mace's did end up actually filling more than  
8 8,000 doses for hydrocodone, right, based on your  
9 e-mail here?

10 A Okay. (Peruses document.)

11 I see August, September. I'm not sure  
12 of July, but --

13 Q July says 10,764 doses.

14 A Okay.

15 Q That's your first or your second --

16 A Oh, yeah, I see that now. Yep.

17 Q Okay. So we can agree at least for  
18 those three months in 2007, per your e-mail,  
19 you're saying they got more than 8,000 doses of  
20 hydrocodone in those months, right?

21 A I would say yes.

22 Q Okay. Let's look at --

23 A Now, I just want to make clear that  
24 trade and travel order, or the T&T, that could be

1 a duplicate that they returned. You don't know  
2 the credit. It's not in here either.

3 Q But we do know that you don't raise that  
4 concern for September, right, in your e-mail?  
5 That was only as to August.

6 A Right. Right.

7 Q Okay. So let's go to the -- the  
8 pharmacy questionnaire from December 2007, which  
9 is page .60.

10 And you see here there's "Mace's  
11 Pharmacy, December 10, 2007, Pharmacy  
12 Questionnaire." Do you see that?

13 A Yes.

14 Q And again, your signature appears on  
15 this page, right?

16 A Yes.

17 Q If we go to the next page, page .61, it  
18 says in number 8, which is the same question you  
19 asked a few months earlier of them: "How many  
20 prescriptions for the following products does the  
21 pharmacy fill on a daily basis?"

22 Do you see here they've said, 475  
23 prescriptions for hydrocodone; 103 for oxycodone?

24 Right?

1 A Yes.

2 Q That's what the form indicates.

3 A Yes.

4 Q Which is, you would agree with me, a  
5 huge increase from what they told you four months  
6 earlier in June 2007, right?

7 MR. COLLINS: Objection to the form.

8 THE WITNESS: I wouldn't agree that it's  
9 a huge increase unless I knew what kind of  
10 business they gained.

11 BY MR. BOGLE:

12 Q Okay. But we can agree that in  
13 June 2007, on page .12, they tell you 15  
14 prescriptions of hydrocodone a day and .41 for  
15 oxycodone. Right?

16 A Yes, as I recall.

17 Q And October the same year, that number  
18 has risen to 475 a day for hydrocodone and 103 a  
19 day for oxycodone, right? We can agree those are  
20 the numbers.

21 A Yes.

22 Q All right. Did you investigate what was  
23 causing that increase?

24 A I don't remember.

1 Q Okay.

2 A Yes, it looks like I sent it -- just  
3 from what the documents show, that we did a  
4 Level I, a Level II, and then sent that up to the  
5 DRA for review, and they took it from there.

6 Q Okay. My question is, in 2007, did you  
7 personally investigate what was causing such a  
8 significant increase over a four-month period of  
9 time in hydrocodone and oxycodone prescriptions?

10 MR. COLLINS: Objection. Asked and  
11 answered.

12 THE WITNESS: I don't remember.

13 BY MR. BOGLE:

14 Q Okay. And if you do the math, for  
15 example, on hydrocodone, at 475 prescriptions a  
16 day with an average of 30 pills a prescription, an  
17 average of 30 days, that's actually 427,500 doses  
18 a month.

19 Do you want to do the math on that?

20 A No, I don't.

21 Q Okay. So if you guys are giving them  
22 20,000 or so doses a month based on your prior  
23 e-mail, how do you explain how they're prescribing  
24 this much?

1           A       I would have to go through the due  
2 diligence that was done here.

3           Q       Okay.

4           A       As you can see, there's quite a bit of  
5 documentation on this that we did for that. I  
6 don't recall everything, but I'm sure --

7           Q       Wouldn't that raise a red flag --

8                   MR. COLLINS: I'm sorry.

9 BY MR. BOGLE:

10          Q       -- that they're using other  
11 distributors?

12                   MR. COLLINS: I'm sorry. Please let the  
13 witness finish his answer before you cut him off.  
14 I've let you do that a couple of times. I'm going  
15 to insist the witness answer.

16                   Finish your answer.

17 BY MR. BOGLE:

18          Q       Go ahead.

19          A       I sent this up to the DRA for review.  
20 You can tell that. So I don't know what their  
21 result was. I don't know if we cut them off or --  
22 or what right now. I would have to go through  
23 this.

24          Q       Would that math indicate to you a

1 potential red flag that they're using more  
2 distributors than just McKesson for hydrocodone  
3 and oxycodone?

4 MR. COLLINS: Objection. Form.

5 THE WITNESS: The increase would cause  
6 concern that I would push it up to the DRA.

7 BY MR. BOGLE:

8 Q Okay. Now, Mace's -- let's take a look  
9 at -- find the spot here -- the threshold change  
10 request that was submitted December 16th, 2008,  
11 which is .63 in this document.

12 MR. COLLINS: Any time you want to  
13 review the document, go ahead.

14 THE WITNESS: Okay.

15 BY MR. BOGLE:

16 Q Okay. You see here this is a threshold  
17 change form for Mace's Pharmacy in -- hope I'm  
18 pronouncing this correctly -- Philippi, West  
19 Virginia.

20 Do you see that?

21 A Yes.

22 Q Do you know about how many people live  
23 in Philippi, West Virginia?

24 A I don't.

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1           Q     Is that something you guys would look at  
2     back in 2008 when evaluating a request like this?

3           A     I can't --

4                     MR. COLLINS:  Object -- objection to the  
5     term we -- "you would look at."

6     BY MR. BOGLE:

7           Q     Would you?

8           A     No, I don't know.

9           Q     Okay.

10          A     I can't speculate on that.

11          Q     Okay.  So if, for example, the city of  
12     Philippi, West Virginia, had fewer than 3,000  
13     people in it around this time frame, would that  
14     raise concerns to you about how much hydrocodone  
15     you're giving this company -- this pharmacy?

16                     MR. COLLINS:  Objection.  Assumes facts  
17     not in evidence, lack of foundation.

18                     MR. BOGLE:  Let's put it into evidence.  
19     Exhibit 14, 1.1892.

20                     (Snider Exhibit No. 14 was marked  
21     for identification.)

22     BY MR. BOGLE:

23          Q     Here is the Census Bureau data for  
24     Philippi, West Virginia, from 2010.  Do you see



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1       there's a total population there noted to be 2,966  
2       people in 2010?

3                   MR. COLLINS:  Objection.  Lack of  
4       foundation.  You haven't established this witness  
5       has any knowledge of this.

6                   MR. BOGLE:  I think that's the problem.

7       BY MR. BOGLE:

8               Q       Do you not -- did you not know that?

9               A       I did not --

10                   MR. COLLINS:  Object --

11                   THE WITNESS:  Sorry.

12                   MR. COLLINS:  I'm sorry.  Please let me  
13       object.

14                   Argumentative.  Object to the theatrics.

15                   THE WITNESS:  I did not know there were  
16       2,966 people in the Philippi -- is that the whole  
17       area or is that just the town?

18       BY MR. BOGLE:

19               Q       It's the city.

20               A       Okay.

21               Q       You didn't know that.

22               A       No.

23               Q       Okay.  Let's go back and look at the  
24       threshold change form request from December 16,

1 '08, for Mace's.

2 Do you see here they're requesting to  
3 increase their amount 20 percent for hydrocodone,  
4 and their current threshold is set at 34,000 doses  
5 a month? Do you see that?

6 A Yes.

7 Q Okay. And the reason for change that's  
8 given here, it says: "Threshold is set too low  
9 for this customer. Their monthly purchases are  
10 400,000 a month. We need to increase the  
11 hydrocodone family amount by 6800 units."

12 Do you see that?

13 A Yes.

14 Q There's no other reason given here for  
15 this increase, is there?

16 A No.

17 Q Okay. And you, in fact, signed off on  
18 this increase, right, under "Approved by DCM  
19 Blaine Snider, 12/16/08." That's your signature,  
20 right?

21 MR. COLLINS: Objection. The question  
22 is compound. I object to the term "signed off."  
23 We've gone over and over this again.  
24 Mischaracterization of his prior testimony.

1 MR. BOGLE: Yeah, I'm sorry. I'll --

2 I'll withdraw the question.

3 BY MR. BOGLE:

4 Q Do you see where it says "Approved by"  
5 on that form?

6 A Yes.

7 Q Okay. Who's that below that that's  
8 noted?

9 A Michael Oriente. He's the director of  
10 Regulatory Affairs.

11 Q You skipped your signature, didn't you?

12 A Oh, I thought you meant who was below my  
13 name. I apologize.

14 Q Your name is there right below "Approved  
15 by," isn't it?

16 A Yep.

17 Q Okay. That's your signature, true?

18 A To go up to the DRAs, that was the  
19 process.

20 Q That's your signature, true?

21 MR. COLLINS: Please let the witness  
22 finish his answer.

23 THE WITNESS: It's true it was to go up  
24 to the DRA. Also there's attachments in here.

1       You don't know what that was.

2       BY MR. BOGLE:

3               Q       Oh, I looked at them. I've looked at  
4       them.

5               A       Okay.

6               Q       So what's noted here is that you  
7       approved these to go -- as you say, to go to  
8       Mr. Oriente, right?

9               A       Yes, the --

10              Q       You didn't raise any concerns that this  
11       wasn't appropriate, did you?

12                      MR. COLLINS: Objection. Argumentative.

13                      THE WITNESS: I'm sure I talked to him.

14       BY MR. BOGLE:

15              Q       Did -- ultimately you put your signature  
16       on this line under "Approved by," right?

17              A       Yes.

18              Q       Not disagrees with. "Approved by,"  
19       right?

20              A       Yes.

21              Q       Okay. So after these concerns are  
22       raised by you in 2007, and the subsequent  
23       questionnaire was completed in December 2007 that  
24       shows a huge spike in hydrocodone and oxycodone

1       prescriptions being written, you guys -- you and  
2       Mr. Oriente actually approve an additional  
3       threshold increase for hydrocodone; is that right?

4                   MR. COLLINS:  Objection.

5       Mischaracterization, assumes facts not in  
6       evidence.

7                   You're testifying to that.  He has no --  
8       he said he has no knowledge of this, and he needs  
9       to look at the documents.  So --

10       BY MR. BOGLE:

11               Q       Take a look at it.  You see your  
12       signature?

13                   MR. COLLINS:  You don't have all the  
14       documents here, he just pointed out.

15       BY MR. BOGLE:

16               Q       This is the whole file.

17               A       I keep trying to tell you my signature  
18       represents that it went to Michael Oriente, who  
19       was the director of Regulatory Affairs, who could  
20       look at all the data, make a judgment.  Also he  
21       could call the customer or he could check with the  
22       federal regs or the State Board of Pharmacy.

23               Q       But I believe you told me earlier you  
24       wouldn't put your signature on something approving

1 a threshold increase request if you thought it was  
2 inappropriate, right?

3 A If I knew it was inappropriate, I  
4 wouldn't put it on there.

5 Q Right. Let's go to page .66 on this  
6 document.

7 See this is another threshold change  
8 form from January 28, '09, for Mace's, and this  
9 pertains to their thresholds for oxycodone, right?

10 A Yes.

11 Q Okay. And you see the current threshold  
12 is noted to be 13,000 at this point in time,  
13 right?

14 A I'm sorry. Yes.

15 Q Okay. And there's an increase approved  
16 here to increase their oxycodone threshold by  
17 20 percent, right?

18 A I'm sorry, I'm not seeing the 20.

19 Q See where it says "Increase amount,  
20 20 percent"?

21 A Oh, yes.

22 Q Okay. And then for reason for change,  
23 it says: "Threshold is set too low for this  
24 customer. Their monthly purchases are 400,000 a

1 month. We need to increase the oxycodone family  
2 amount by 2500 units."

3 Right, that's the reason given on this  
4 form?

5 A Yes.

6 Q Okay. And then there's a different  
7 signature on this. It says "BPM," and then  
8 there's some -- a signature after that. Do you  
9 know who that is?

10 A Yes. Dale Nusser.

11 Q I'm sorry?

12 A Dale Nusser, my -- one of my managers.

13 Q Okay. So Dale Nusser worked underneath  
14 you at your direction, right?

15 A Yes.

16 Q Okay. And this indicates it was also  
17 approved by Michael Oriente in Regulatory, right?

18 A Oh, yes.

19 Q Okay. All right. Let's go to page .80.

20 You see here this is another threshold  
21 change form, December 30, 2009, for Mace's. Do  
22 you see that?

23 A Yes.

24 Q Okay. And at this point 9143 is the

1 code. That's for oxycodone, correct?

2 A I don't remember. I'm sorry.

3 Q Okay. It says -- well, first of all,  
4 you see that under "Reason for requested change,"  
5 it says: "Tom Dadisman, pharmacist, has requested  
6 an increase of 10 percent on oxycodone due to  
7 increased number of prescriptions received per  
8 category from local doctors who are changing  
9 patients from morphine-based items to oxycodone-  
10 based items."

11 Do you see that?

12 A Yes.

13 Q Okay. So this would indicate that this  
14 is related to oxycodone based on the --

15 A Yes.

16 Q -- request, right? Okay.

17 And that's the only information  
18 supporting this request that's located here,  
19 right?

20 MR. COLLINS: Objection. Form.

21 THE WITNESS: That I can see, yes.

22 BY MR. BOGLE:

23 Q Okay. And if you see anything else,  
24 please let me know.



1           A       Okay.

2           Q       This is noted to be a permanent change,  
3       right?

4           A       Yes.

5           Q       Increasing their threshold from 17,600  
6       doses a month by 10 percent, right?

7           A       Yes.

8           Q       Okay. Submitted by you, right? That's  
9       your signature. Right?

10          A       Yes.

11          Q       Okay. And also John Kuczynski of sales  
12       and approved by Michael Oriente, right?

13          A       Yes.

14          Q       Okay. Do you see any evidence from  
15       around this time frame in December 2009 in this  
16       file that you actually got any prescription data  
17       to support this?

18          A       I don't know. I'd have to go through  
19       it.

20          Q       Yeah.

21                   MR. BOGLE: Let's go off the record.  
22       You can go through it.

23                   MR. COLLINS: No, no, we're going to  
24       stay on the record.

1                   MR. BOGLE: We don't need to stay on the  
2           record. If he wants time to look at it, he can,  
3           but don't stay on the record. There's no such  
4           requirement.

5                   MR. COLLINS: Well, listen, to go off  
6           the record, you need an agreement. So if you want  
7           to have him start leafing through documents, we're  
8           staying on the record.

9                   MR. BOGLE: Okay. That's fine. We'll  
10          do that.

11          BY MR. BOGLE:

12                 Q       You can't point me to anything that  
13           shows that you requested any prescription data,  
14           can you?

15                   MR. COLLINS: He just asked to go  
16           through documents. You want him to go through  
17           documents --

18                   MR. BOGLE: He's not going to blow  
19           through hours of my time looking at something that  
20           he should already be familiar with.

21                   MR. COLLINS: Well, no, he -- this isn't  
22           a 30(b)(6) deposition.

23                   MR. BOGLE: Doesn't have to be.

24                   MR. COLLINS: This is in his personal

1 capacity. So, listen, if you want him to look  
2 through documents, he will do it for you, but it's  
3 on your time.

4 Take as much time as you want.

5 THE WITNESS: (Peruses document.)

6 BY MR. BOGLE:

7 Q We're in December 2009.

8 A (Peruses document.)

9 On the questionnaire on page .13, Dale  
10 reviewed the scripts.

11 Q .13?

12 A Yes.

13 Q So that's from June 2007, right?

14 A Yes.

15 Q Okay. We're talking about December  
16 2009.

17 A Oh.

18 Q And a specific increase that they're  
19 saying -- in request in December 2009.

20 A (Peruses document.)

21 Q All right. I've got too many documents  
22 to go through. I'll strike the question and keep  
23 going.

24 Let's look at page .84.

1                   You see there's another threshold change  
2           request. This looks like it's done through  
3           SharePoint, 10/28/2010 for oxycodone. Do you see  
4           that?

5           A        Yeah, I'm not familiar with these. I  
6           don't get these copies like this. This is for the  
7           director of Regulatory Affairs. It says  
8           "Pharmacy Regulatory Affairs."

9           Q        You guys keep these files in your  
10          distribution center, though, don't you?

11          A        I do not.

12          Q        You don't?

13          A        I do not.

14          Q        Okay. That's where it's been  
15          represented this came from, but okay.

16          A        It's -- it's on SharePoint.

17          Q        Okay. So supporting information, it  
18          says: "Competitor down the street does not order  
19          controls, which elevates their business."

20                   And the request is for a permanent  
21          increase due to business growth of 600 doses for  
22          oxycodone for Mace's. Do you see that?

23          A        Yes.

24          Q        Okay. And it shows that, on the next

1 page, that request was approved by Dale Nusser,  
2 who I think you indicated works for you, and  
3 Michael Oriente. Do you see that?

4 A I see it was approved by Michael  
5 Oriente, the director of Regulatory Affairs, and  
6 the change was made.

7 Q Do you see it says "Dale Nusser,  
8 approved 10/28/2010" right above that?

9 A By approved, Dale was one of my  
10 managers. He sent it up to the director of  
11 Regulatory Affairs so he could run the scripts and  
12 the numbers.

13 Q So he sent it up there 10/28/2010 at  
14 3:19 p.m. Three minutes later it was approved by  
15 Mr. Oriente. That's what this indicates?

16 MR. COLLINS: Objection. Lack of  
17 foundation. Lack of witness's knowledge.

18 THE WITNESS: I -- it may indicate phone  
19 calls, conversations and data, especially the  
20 script data.

21 BY MR. BOGLE:

22 Q What this document says is: "DC  
23 approval date, Dale Nusser, 10/28/2010, 3:19,"  
24 right? That's what the document says.

1           A       That's what it says.

2                   MR. COLLINS:  Objection.

3       BY MR. BOGLE:

4           Q       Okay.  And it says approval date for  
5       Mr. Oriente, 10/28/2010, 3:22 p.m.  That's what  
6       the document says, right?

7           A       Yes.  It's through SharePoint, so it's  
8       an automated system.

9           Q       Right.  But it's an automated system  
10       that can keep track of time, can't it?

11          A       Yes.  But it doesn't keep track of the  
12       time that they did the due diligence.

13          Q       Right.  Well, it shows that three  
14       minutes after this was sent to Mr. Oriente --

15          A       It doesn't show --

16          Q       -- he approved it.

17          A       It doesn't show the time between what  
18       Dale did and what Michael did on -- look at the  
19       scripts or whatever, it does not show that.

20          Q       What it show is it was sent to  
21       Mr. Oriente, and three minutes later he approved  
22       it.  That's what it shows.

23                   MR. COLLINS:  Objection.

24       Mischaracterization.

1 MR. BOGLE: It's what the document says.

2 The document speaks for itself.

3 MR. COLLINS: Objection.

4 Mischaracterization --

5 MR. BOGLE: You can put whatever you  
6 want on top if it, that's what the document says.

7 THE WITNESS: I just want to put on the  
8 record that you don't know the due diligence  
9 there.

10 BY MR. BOGLE:

11 Q Right. But the due diligence that --  
12 would be in this file, wouldn't it?

13 MR. COLLINS: Objection. The witness  
14 has testified --

15 BY MR. BOGLE:

16 Q And our jury can look at that and decide  
17 for themselves, right?

18 A Not necessarily. Michael --

19 Q Okay.

20 A Michael could have done that on the  
21 internet, had the scripts. It may not -- it  
22 wouldn't be in my file.

23 Q But you don't have any idea whether he  
24 actually did that, do you? You're just saying he

1       may have.

2               A       I don't know.

3               Q       Right. What we do know is this was  
4       approved, right, 10/28/2010, increasing the  
5       oxycodone threshold, right?

6               A       Yes. It says, "Approved, Michael."

7               Q       And the reason for TCR, as noted on  
8       page .84, is noted as business growth, right?

9               A       It says: "Competitor down the street  
10      does not order controls, which elevates their  
11      business." And they -- they were one of our  
12      largest customers.

13              Q       Stay with me. "Reason for TCR" --

14              A       Oh, sorry.

15              Q       -- it says "Permanent business growth,"  
16      right?

17              A       I was going --

18                      MR. COLLINS: It says more than that.  
19      I'm sorry.

20      BY MR. BOGLE:

21              Q       It should be supported by corresponding  
22      sales increase.

23              A       You aren't telling the whole story.  
24      Supporting information is there too.



1 Q For this increase?

2 A That's important. Yes.

3 Q That their competitor doesn't sell  
4 controls, right?

5 A Yes.

6 Q Okay. But it says: "Business growth  
7 should be supported by corresponding sales  
8 increase." Right? That's what it says.

9 A It says that also, yes.

10 Q All right. So that should be somewhere  
11 that we can locate, right, that such documentation  
12 exists to support that statement, right?

13 MR. COLLINS: Objection. Assumes facts  
14 not in evidence. Assumes it's reflected in  
15 documents.

16 BY MR. BOGLE:

17 Q True?

18 A I don't know that.

19 Q But we know it should be supported by a  
20 corresponding sales increase, right?

21 A I can't testify to what I don't know.

22 Q Okay. But you do know, as we talked  
23 about before, that when a request is made for a  
24 TCR increase based on business growth, you have to

1 have supporting documentation for that, right?

2 A The director of Regulatory Affairs had  
3 the supporting documentation, and the program  
4 changed 2007 on.

5 MR. BOGLE: Move to strike as  
6 nonresponsive.

7 BY MR. BOGLE:

8 Q My question simply was, under the CSMP,  
9 you must have supporting documentation to support  
10 a threshold increase based on business growth,  
11 true?

12 A It depends on the era. 2000 to 2006, I  
13 did not have supporting document.

14 Q Okay. What about 10/28/2010, you should  
15 have documentation to support that?

16 A I don't necessarily have it.

17 Q Okay. That should be in the McKesson  
18 file, shouldn't it?

19 A I don't know.

20 Q Okay. But you do know the CSMP requires  
21 that, right, documentation?

22 A Not on my file, no.

23 Q That's not my question, sir.

24 The CSMP requires documentation

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1 supporting any change made to a threshold based on  
2 business growth, right?

3 MR. COLLINS: Objection. Assumes facts  
4 not in evidence.

5 BY MR. BOGLE:

6 Q We just looked at this a few minutes  
7 ago.

8 MR. COLLINS: Objection. Show it to him  
9 again.

10 BY MR. BOGLE:

11 Q You don't recall that?

12 A I'm sorry. I don't -- you'll have to  
13 repeat the question.

14 Q My question was, to support a threshold  
15 change based on business growth, supporting  
16 documentation is required under the CSMP, right?

17 MR. COLLINS: Objection. Assumes --

18 BY MR. BOGLE:

19 Q As of 10/2010?

20 MR. COLLINS: Objection. Assumes facts  
21 not in evidence.

22 THE WITNESS: I don't know that that  
23 wasn't provided.

24 BY MR. BOGLE:

1           Q     Not my question, sir. That was  
2     required, wasn't it?

3                     MR. COLLINS: Objection. Form.

4     BY MR. BOGLE:

5           Q     Yes or no?

6                     MR. COLLINS: Objection.

7     BY MR. BOGLE:

8           Q     Or you don't know?

9                     MR. COLLINS: Objection to form.

10                    THE WITNESS: I don't know.

11     BY MR. BOGLE:

12           Q     You don't know if that was required?

13           A     It was required for Michael maybe, but  
14     not for me.

15           Q     Okay. So you -- so for Dale Nusser to  
16     sign off on his portion, he didn't need any  
17     documentation to support this.

18           A     Correct.

19           Q     Okay. But Michael, you understand,  
20     Oriente would?

21           A     Yes.

22           Q     Okay. So in the McKesson files that  
23     have been produced to us pertaining to this  
24     increase, we should find some supporting

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1 documentation if the CSMP was followed, right?

2 I'm not saying in your files or whose files. It  
3 should be in somebody's files.

4 A I don't know that.

5 Q You don't know.

6 A I can't testify to what's in their  
7 files.

8 Q I didn't ask -- I didn't say "is it." I  
9 said "should it be."

10 A I can't --

11 MR. COLLINS: Objection. Calls for a  
12 legal conclusion.

13 THE WITNESS: I can't testify. It was  
14 electronic.

15 BY MR. BOGLE:

16 Q Okay. Was there a policy at McKesson in  
17 2010 to destroy evidence of due diligence review?

18 MR. COLLINS: Objection. Argumentative.  
19 Object to the theatrics.

20 BY MR. BOGLE:

21 Q There's a question.

22 A Can you repeat the question?

23 Q Was there a policy written or unwritten  
24 at McKesson in October 2010 to destroy evidence of

1 due diligence review?

2 MR. COLLINS: Object to the theatrics  
3 and the argument.

4 THE WITNESS: No.

5 BY MR. BOGLE:

6 Q Okay. Target, that's another -- that's  
7 another large customer for McKesson over time,  
8 right?

9 MR. COLLINS: Objection. Form, vague.

10 THE WITNESS: They aren't our customer  
11 anymore.

12 BY MR. BOGLE:

13 Q Okay. Back in 2008, they were, right?

14 A I would -- I would think, yes.

15 Q Okay. Let's take a look at Exhibit 15,  
16 which is 1.1782.

17 (Snider Exhibit No. 15 was marked  
18 for identification.)

19 Q All right. This is another file that  
20 was produced to us. You see it's pertaining to  
21 Target No. 2231. Do you see that?

22 A Yes.

23 Q Okay. Let's start back at page .7.  
24 There's an e-mail chain there.

1                   And do you see the e-mail at the bottom  
2           of that page from Dave Gustin to Michael Bishop  
3           dated September 16, 2008, titled "Could you do me  
4           a favor?" Do you see that?

5           A        Yes.

6           Q        Okay. It says there: "I just need a  
7           TCR form you signed and dated the 30th. I will  
8           use it for the 30 percent increases I made for the  
9           RNAs that day after you e-mailed me all those  
10          reports."

11                   Do you see that?

12          A        Yes.

13          Q        And then Mr. Bishop responds: "This is  
14          the Thanksgiving increases," question mark.

15                   Do you see that?

16          A        Yes.

17          Q        Okay. And if you follow the e-mail  
18          chain to the next page, Mr. Gustin says: "Yep,  
19          11/28."

20                   Do you see that?

21          A        Yes.

22          Q        Okay. Then if you go to page .5, it's  
23          another e-mail from Dave Gustin to several  
24          individuals, December 17, 2008. It says: "All:

1 On November 28, I was sent requests by Michael for  
2 over 200 thresholds to get 30 percent increases  
3 for various national accounts. The attached TCR  
4 form covers all RNA increases made that date.  
5 Please sign and file."

6 Do you see that?

7 A Yes.

8 Q Okay. And if you go to page .4, it's a  
9 threshold change form from 11/28/08, the same day.  
10 Do you see that? It's referenced earlier by  
11 Mr. Gustin.

12 A Yes.

13 Q And it's noted to be for various  
14 controlled substances, right?

15 A Yes.

16 Q And a 30 percent increase. Do you see  
17 that?

18 A Yes.

19 Q What's the reason for the change given  
20 there on the form?

21 A Thanksgiving holiday.

22 Q Okay. Do -- was it a McKesson policy in  
23 2008 to give permanent threshold increases based  
24 on holidays?



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1           A       Yes, it was. Sometimes the vendors --  
2       like I just got a notice today, the vendors close  
3       during the holidays and product is unavailable.  
4       And my customers know that too, hospitals, nursing  
5       homes, pharmacies. So at that time they want to  
6       make sure they get it before the pharmacy closes.

7           Q       And that's a justification to increase  
8       30 percent permanently?

9           A       I believe so. It looks like it was  
10      approved.

11          Q       Okay. So each time that a big holiday  
12      would come, thereafter you get 30 more percent  
13      increase permanently?

14                   MR. COLLINS: Objection.

15      BY MR. BOGLE:

16          Q       Is that what you're saying?

17                   MR. COLLINS: Objection.

18      Mischaracterization.

19                   THE WITNESS: I did not say that.

20      BY MR. BOGLE:

21          Q       Okay. Well, you're saying the 30  
22      percent increase here was justified by the fact  
23      that it was a Thanksgiving holiday and that could  
24      justify a permanent increase, right?

1 MR. COLLINS: Objection.

2 Mischaracterization.

3 THE WITNESS: I don't know the due  
4 diligence that Dave did, but he was the national  
5 acts DRA and he justified it.

6 BY MR. BOGLE:

7 Q Okay. Well, the reason for change given  
8 here is what we just read, increase due to  
9 Thanksgiving holiday, 30 percent increase, right?

10 A That's what -- did I say that?

11 Q That's what's stated here for reason for  
12 change, right? It's what the form says.

13 A Who -- oh, the form, yes.

14 Q Right.

15 A Okay.

16 Q And under "Approved by," whose signature  
17 is that?

18 A Blaine Snider. "B. Snider."

19 Q That's you, right?

20 A Yep.

21 Q And if we go to page .2, this is another  
22 threshold change form from 11/28/08 for the Target  
23 store in Triadelphia, West Virginia. Do you see  
24 that?

1           A       Yes.

2           Q       Okay. And this is for a 30 percent  
3       increase to their morphine thresholds, and under  
4       "Reason for change," you would agree with me there  
5       is nothing listed there, right?

6           A       Yes.

7           Q       Okay. And again, under "Approved by,"  
8       that's your signature, isn't it?

9           A       That I sent it to Regulatory, if I did.

10          Q       That's your signature, isn't it?

11          A       Yes.

12          Q       Okay. Did you raise any questions as to  
13       why there was no reason given to you here?

14          A       I don't even know that it was -- the  
15       threshold was increased.

16          Q       Well, it says "Approved by."

17                   MR. COLLINS: Objection. We've been  
18       over this --

19       BY MR. BOGLE:

20          Q       Right?

21                   MR. COLLINS: -- a dozen times.

22       Objection. Mischaracterization.

23       BY MR. BOGLE:

24          Q       Right?

1           A       That does not mean I approved it. I  
2       cannot send a -- make a threshold change. I can't  
3       do it.

4           Q       But you didn't raise any concerns at  
5       this point in time about forwarding this on to --

6           A       There's nothing on this paper --

7           Q       -- approve it, correct?

8           A       There's nothing on this paper that says  
9       he approved it or raised any concerns.

10          Q       There's nothing on this paper that  
11       indicates that you raised any concerns or in this  
12       file that indicates that you raised any concerns  
13       about this threshold change form, does it?

14          A       I don't know if it even was complied  
15       with.

16                   MR. BOGLE: Okay. Not my question, sir.  
17       Move to strike as nonresponsive.

18       BY MR. BOGLE:

19          Q       There's nothing in this file that  
20       indicates you raised concerns about the lack of  
21       reason for threshold increase in this form, is  
22       there?

23                   MR. COLLINS: Objection. Foundation,  
24       form.

1 THE WITNESS: I don't know that.

2 BY MR. BOGLE:

3 Q You don't know if there's any reason  
4 listed?

5 A Correct.

6 Q Okay. Can you see the form?

7 A Yes.

8 Q Okay. Do you see any indication on this  
9 form that you disapproved this request with zero  
10 information provided for a reason?

11 MR. COLLINS: Object to the terminology,  
12 "disapproved" and "approved."

13 THE WITNESS: I dispute that there  
14 was -- wasn't any evidence of that.

15 BY MR. BOGLE:

16 Q Well, we've got the file right here.  
17 This one -- this one's shorter, so this is eight  
18 pages. I'd like you to show me where in this file  
19 there is specific documentary evidence showing why  
20 a Target in West Virginia needed a 30 percent  
21 increase on this date.

22 A Okay. On page .6.

23 Q .6. Okay.

24 A There was an e-mail on December 17th

1       about a -- with an attachment threshold change  
2       form, that could have had the reason on it. I  
3       don't know. It's -- it's not here.

4               Q       Okay. This is what was produced to us.  
5       Can you point to anything that was produced to us  
6       in this file that indicates a reason for this  
7       threshold change increase?

8                   MR. COLLINS: Objection. Asked and  
9       answered.

10                  THE WITNESS: Not to my knowledge.

11       BY MR. BOGLE:

12               Q       Okay. Best Care Pharmacy, are you  
13       familiar with them?

14               A       I -- I do know them, yes.

15               Q       It's another one of New Castle's former  
16       customers in West Virginia, right?

17               A       Yes.

18               Q       Okay. And actually, Best Care actually  
19       operated multiple pharmacies in West Virginia,  
20       didn't they?

21               A       As I recall.

22                   (Snider Exhibit No. 16 was marked  
23                   for identification.)

24       BY MR. BOGLE:

1           Q     Okay. I'm going to hand you what is  
2     marked as 1.1812, Exhibit 16.

3                     You see here this is another document,  
4     file folder document with the name "Best Care" on  
5     the front.

6                     Do you see that?

7           A     Yes.

8           Q     Okay. And if we go to page .10, do you  
9     see this is your signature related to an approval  
10    that a questionnaire has been completed and  
11    affidavit signed for this customer, right?

12          A     It's a -- I testified that it's a  
13    Level I observation form.

14          Q     No, .10.

15          A     I testified that that's a Level I  
16    observation form.

17          Q     We may be on different pages.

18                     Do you see what's pulled up here on the  
19    screen?

20          A     Yes.

21          Q     Okay. That's your signature related to  
22    Best Care Pharmacy, you are saying for, what, a  
23    Level I observation?

24          A     Yes. It says "CSMP Observation Level I

1 Documentation Form."

2 Q On this page?

3 MR. COLLINS: Page 9.

4 THE WITNESS: Oh, I'm sorry. It's a --  
5 it's a continuation of that.

6 BY MR. BOGLE:

7 Q Okay. Well, let's look at the pharmacy  
8 questionnaire that follows thereafter.

9 A Okay.

10 Q You see this customer is noted to be a  
11 new customer as of October 1, 2009, right?

12 A Yes.

13 Q And it's for Best Care Pharmacy in  
14 Weston, West Virginia. Do you see that?

15 A Yes.

16 Q Okay. Do you know about how many people  
17 lift in Weston, West Virginia?

18 A A lot more than Philippi.

19 Q Think so?

20 A Yes.

21 Q Okay. Would it surprise you that it's  
22 fewer than 5,000 people?

23 A In that area?

24 Q In Weston, West Virginia.



1 A Yes.

2 Q That would surprise you?

3 A Yes.

4 (Snider Exhibit No. 17 was marked  
5 for identification.)

6 BY MR. BOGLE:

7 Q I hand you Exhibit 1.1909 marked as  
8 Exhibit 17.

9 It says: "Population data for Weston,  
10 West Virginia," indicated to have a population of  
11 4,085 people. Do you see that?

12 MR. COLLINS: Objection. Lack of  
13 foundation, lack of authentication, lack of  
14 knowledge.

15 THE WITNESS: What year is this, please?

16 BY MR. BOGLE:

17 Q This is the current data.

18 MR. COLLINS: Yeah, I mean -- it's the  
19 internet, it's accurate.

20 THE WITNESS: What's that?

21 MR. BOGLE: Well, I'm sure you guys are  
22 going to produce census data that shows otherwise,  
23 so we'll just wait to see that.

24 MR. COLLINS: I'll withdraw my

1 objection.

2 MR. BOGLE: I would hope so.

3 MR. COLLINS: It's a lack of foundation,  
4 lack of knowledge.

5 BY MR. BOGLE:

6 Q 4,085 people, right? That's what it  
7 says.

8 A That's what it says right here.

9 Q Right. That's wrong; is that your  
10 testimony?

11 MR. COLLINS: Objection. Lack of  
12 foundation. You haven't established the witness  
13 has any knowledge about this issue.

14 MR. BOGLE: Well, he said he thought it  
15 was wrong.

16 THE WITNESS: I said I was surprised,  
17 and I am. I'm sorry.

18 BY MR. BOGLE:

19 Q You're surprised?

20 A Yes.

21 Q Okay. All right. Let's go back to  
22 Exhibit 1.1812, back on .11. See the pharmacist's  
23 name there is a Matthew Genin. Do you see that?

24 A Yes.

1           Q     Okay. And further on in this form,  
2     page .14, under "Purchasing Information," it's  
3     asked what percentage of their purchases are  
4     controlled substances, and they indicate 40  
5     percent. Right?

6                     MR. COLLINS: Sorry. Where are you?

7     BY MR. BOGLE:

8           Q     Page .14 under Section IV(c).  
9                     Right?

10          A     Yes.

11          Q     And this was, if you look at the next  
12     page, as of October 2009. Do you see that's when  
13     all this form was signed?

14          A     Yes.

15          Q     Okay. That in and of itself would be  
16     a red flag for potential diversion, right, that  
17     40 percent of their purchases are controlled  
18     substances?

19                     MR. COLLINS: Objection. Form.

20                     THE WITNESS: I would have sent this up  
21     to the DRA to make sure they vet it out.

22     BY MR. BOGLE:

23          Q     I'm asking your opinion, though, sir.  
24     40 percent, is that a red flag to you?

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1           A       And my opinion is I definitely would  
2       send this up to the DRA so they can vet it out,  
3       yes.

4           Q       Because that's a concern, right, 40  
5       percent?

6           A       I would send it to the DRA so they could  
7       vet it out for sure.

8           Q       Because that's a concern. 40 percent of  
9       their purchases being controlled substances, that  
10      is a concern, a potential red flag, right?

11          A       At the time I don't remember, but I know  
12      I sent it up to the DRA for vetting out.

13          Q       Okay. My question was simply whether  
14      that would be concerning to you in October 2009,  
15      when you signed this form.

16          A       I don't know that --

17          Q       When you read this form, you don't know?

18          A       I don't know that when I signed that.

19          Q       Okay.

20          A       There's documentation as to why, and  
21      then they do their due diligence. That's part of  
22      the process of that year also.

23          Q       But 40 percent is a high figure, right,  
24      for controlled substances?

1 MR. COLLINS: Objection. Asked and  
2 answered.

3 THE WITNESS: It depends on their  
4 business.

5 BY MR. BOGLE:

6 Q Okay. That's -- that's well above the  
7 norm, isn't it?

8 A It's above the average, yes.

9 Q Yeah. If you go to the next page,  
10 page .15, they provide more detail on their  
11 controlled substance purchases. They indicate  
12 6,199 doses dispensed per month for hydrocodone.  
13 Do you see that?

14 A Yes.

15 Q And 4,905 doses of oxycodone per month  
16 is what they are telling you, right, as of this  
17 time?

18 A Yes.

19 Q Okay. And there's a request for  
20 anything over 5,000 to provide a reason, which is  
21 indicated as -- they underlined "Frequent  
22 referrals from pain clinics," et cetera. Do you  
23 see that?

24 A Yes.

1           Q     Okay. Again, that's a potential red  
2     flag if they're getting frequent referrals from  
3     pain clinics, right? We talked about that  
4     earlier.

5                     MR. COLLINS: Objection. Form,  
6     compound.

7                     THE WITNESS: That one I would do the  
8     due diligence on for sure.

9     BY MR. BOGLE:

10           Q     Right.

11           A     And send it up to the director of  
12     Regulatory Affairs, yes.

13           Q     And you would hope that they would vet  
14     that closely, right?

15           A     Yes.

16           Q     That issue.

17                     All right. Let's go to page .43.

18                     So you've got a threshold change form  
19     here from -- dated October 9, 2009. Do you see  
20     that?

21           A     Yes.

22           Q     Okay. And this is for a permanent  
23     change regarding 9193, which I will represent is  
24     hydrocodone. That's y'all's code for hydrocodone.

1 Do you see that code listed there?

2 A Where is that listed?

3 Q "CS requested" -- 9191 is slashed  
4 through and 9193 is written.

5 A Oh, on the left. I'm sorry.

6 Q Yeah. Do you see that?

7 A 9193, yes.

8 Q Okay. And if you see here, the current  
9 threshold at this point in time in October 2009 is  
10 8,000, and they're requesting an increase by  
11 12,000 additional doses.

12 Do you see that?

13 A Sorry. It says 5,000.

14 MR. COLLINS: I'm -- I'm confused, and I  
15 think the witness is too.

16 BY MR. BOGLE:

17 Q Current threshold, 8,000. Do you see  
18 that?

19 A No, I don't see 8,000.

20 MR. COLLINS: I don't see it either.

21 BY MR. BOGLE:

22 Q On .43. Let me check my page here.

23 All right. So, I'm sorry. Actually,  
24 it's .44. My fault.

1           A       Okay.

2           Q       All right. So this is -- let's go back  
3       and make sure we're talking about the same thing.

4                   October 9, 2009, threshold change form,  
5       right?

6           A       Yes.

7           Q       For Best Care, right?

8           A       Yes.

9           Q       9193 is the base code entered, which  
10       again I'll represent to you is hydrocodone.  
11       That's how you guys code that.

12          A       Yes.

13          Q       Okay. And you see the current threshold  
14       is at 8,000.

15          A       Yes.

16          Q       It's a permanent -- request for a  
17       permanent increase, right?

18          A       Yes.

19          Q       Increase by 12,000 units, right?

20          A       Yes.

21          Q       And this threshold change request was  
22       submitted on October 9, 2009, by you, correct?

23          A       Yes.

24          Q       Okay. And under "Reason for requested



1 change," what's provided there?

2 A Nothing. Just the date.

3 Q And if we go then to the next form --

4 A If I could say on there, also it says  
5 "Question of declaration on file: Yes, dated  
6 10/1/09." So someone was just in there nine days  
7 before this threshold request.

8 MR. BOGLE: Move to strike as  
9 nonresponsive.

10 BY MR. BOGLE:

11 Q I asked you what was written there under  
12 "Reason for requested change" section.

13 MR. COLLINS: His answer is what it is.

14 BY MR. BOGLE:

15 Q All right. Let's go to Bates page  
16 ending 4225, since my pages are wrong on this  
17 document, which is bottom right, 4225.

18 It's another threshold change form,  
19 October 26, 2009, for a permanent change for  
20 hydrocodone for Best Care.

21 Do you see that?

22 A Yes.

23 Q Okay. And at this point because the  
24 threshold has just been increased a couple of

1 weeks earlier, which we just saw, now their  
2 current threshold is at 20,000, right?

3 A I don't remember when the other one was.

4 Q Sure. We just looked at it. We can  
5 look at it again.

6 A If you can just give me the date, I  
7 would be fine.

8 Q It was October 9, 2009 is what we just  
9 looked at. I can take you back to that page if  
10 you want.

11 A Okay. And this one is --

12 Q So here you go, page -- Bates page  
13 ending 4227, two pages later as the one we just  
14 looked at.

15 A Yes.

16 Q Okay. We see hydrocodone, there's a  
17 requested increase from 8 to 20.

18 A Yes.

19 Q Okay. Which was submitted by you that  
20 day. So we're now a couple of weeks later, same  
21 product, we show the threshold is 20,000, which  
22 you indicated it was approved previously, right?

23 A Yes.

24 Q Okay. And now there's a request for an

1 additional 5,000 dosage units for hydrocodone,  
2 right?

3 A Yes.

4 Q Okay. And is there any specific reason  
5 for the requested change given here?

6 A It says questionnaire declaration was  
7 done two weeks previously, or a week and a half.  
8 And it was a new customer.

9 Q Okay. My question was, under "Reason  
10 for requested change," what's the reason provided  
11 there?

12 MR. COLLINS: Asked and answered.

13 THE WITNESS: Only that I referenced the  
14 questionnaire and declaration on file.

15 BY MR. BOGLE:

16 Q Right. You don't give any specific  
17 reason for the change that's being requested, do  
18 you?

19 MR. COLLINS: Objection.

20 Mischaracterization, asked and answered.

21 THE WITNESS: Only that I would  
22 reference the questionnaire.

23 BY MR. BOGLE:

24 Q Right. There's no documented reason why

1       there's an increase here, especially given that  
2       you've already increased it just two weeks before.  
3       Right?

4                   MR. COLLINS:  Objection.  It's a  
5       mischaracterization of the document and his prior  
6       testimony.

7                   MR. BOGLE:  So I'll strike that.

8       BY MR. BOGLE:

9           Q       We can agree this was increased just two  
10       weeks prior, right?

11          A       Yes.

12          Q       Okay.  And we can agree there's an  
13       additional request being submitted two weeks later  
14       without any additional documentation supporting  
15       why they would need 5,000 more doses a month just  
16       two weeks later, is there?

17                   MR. COLLINS:  Objection.  
18       Mischaracterization of the document and his prior  
19       testimony.

20                   THE WITNESS:  I would have to reference  
21       the questionnaire and the visit.

22       BY MR. BOGLE:

23          Q       Right.  So -- but for the reason for  
24       requested change, we can agree there is zip

1 written there, nothing, right?

2 MR. COLLINS: Object. That's a  
3 mischaracterization of the document and his  
4 testimony.

5 THE WITNESS: The document says: "Refer  
6 to questionnaire or -- and declaration on file  
7 10/1/09." So that was within nine days.

8 BY MR. BOGLE:

9 Q No, this is now three weeks, and you  
10 already increased it after that.

11 A Right.

12 Q What I'm saying, though, this whole  
13 "Reason for requested change" section is supposed  
14 to be completed, right? You don't just refer to a  
15 declaration. That's the whole purpose of this,  
16 right, you document your reason for the business  
17 change?

18 MR. COLLINS: Objection.

19 BY MR. BOGLE:

20 Q You don't say "See declaration."

21 MR. COLLINS: Objection.

22 BY MR. BOGLE:

23 Q Right?

24 MR. COLLINS: There's about four

1 questions within one. Compound, form, asked and  
2 answered.

3 BY MR. BOGLE:

4 Q Sure, I'll reask it.

5 The reason for requested change  
6 is supposed to be -- there's supposed to be a  
7 written reason documented as to why this change is  
8 needed, right?

9 A In totality, I would have to refer to  
10 the questionnaire on file.

11 MR. BOGLE: Move to strike as  
12 nonresponsive.

13 BY MR. BOGLE:

14 Q "Reason for requested change, be  
15 specific."

16 MR. COLLINS: If that's --

17 BY MR. BOGLE:

18 Q That's what it says, right?

19 MR. COLLINS: If that's a question,  
20 objection. Asked and answered.

21 BY MR. BOGLE:

22 Q Does it say "Be specific"?

23 MR. COLLINS: Objection. Asked and  
24 answered multiple times.

1 BY MR. BOGLE:

2 Q Does it say "Be specific"?

3 A And I had the same response: Be  
4 specific, and refer to the questionnaire and  
5 declaration on file.

6 Q Does it say, "Be specific, please refer  
7 to questionnaire"? Does that say that's good  
8 enough?

9 A It's right underneath that.

10 Q No, you -- it says "Questionnaire or  
11 declaration." It just asks whether it's there.  
12 It doesn't say that that's sufficient, does it?

13 A It's -- it's --

14 MR. COLLINS: Objection. Argumentative.  
15 I would ask you to move on to something else.

16 BY MR. BOGLE:

17 Q So is it your testimony that your  
18 understanding that as of 2009, you could simply  
19 put "See questionnaire," and that was fine?

20 MR. COLLINS: Objection.

21 BY MR. BOGLE:

22 Q Or "See declaration," and that was --  
23 that was justified to increase any threshold based  
24 on that?

1 MR. COLLINS: Object --

2 BY MR. BOGLE:

3 Q Is that your testimony?

4 MR. COLLINS: Objection. The question  
5 is compound. It's about three or four questions.  
6 It's been asked and answered.

7 BY MR. BOGLE:

8 Q Is that your testimony?

9 MR. COLLINS: It's been asked and  
10 answered. It's a mischaracterization of his  
11 testimony.

12 THE WITNESS: No, my testimony is that I  
13 did the due diligence and sent it up to Michael  
14 Oriente, the director of Regulatory Affairs.

15 BY MR. BOGLE:

16 Q You're saying you did your due diligence  
17 because there was a questionnaire and declaration  
18 on file, right?

19 A Yes. You can see quite a bit of  
20 information on the store for Best Care, and sales  
21 data and vetting out the store. And I -- I'm  
22 sorry, it was 10/26, so it was done on 10/1.

23 Q Right. Which we already discussed  
24 that -- and you've already increased it --



1           A       I did.

2           Q       -- requested increase 10/9?

3           A       And it's a new customer, yes.

4           Q       Okay. But this is the second increase  
5 in a month.

6           A       Yes.

7           Q       And there's -- you would agree with me,  
8 other than saying "Questionnaire and declaration  
9 on file, yes," there's no written justification  
10 here provided, right?

11                   MR. COLLINS: Objection.

12 Mischaracterization. It's been asked and  
13 answered.

14                   THE WITNESS: I would agree to reference  
15 the questionnaire and also the DRA's approval.

16 BY MR. BOGLE:

17           Q       So the questionnaire, which tells us how  
18 much they're dispensing of controlled substances,  
19 and the declaration that they claim they're doing  
20 everything above board, that's good enough, right?

21                   MR. COLLINS: Objection. Argumentative.

22 BY MR. BOGLE:

23           Q       Right?

24           A       I don't know that.

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1 Q Okay. Okay. Let's take a look at Bates  
2 page ending 4234.

3 See it's another threshold change form  
4 for Best Care, 11/24/09, right?

5 A Yes.

6 Q This time the request is to increase the  
7 oxycodone threshold from 8,000 to 12,000, right?

8 A Yes.

9 Q Permanently, right?

10 A Yes.

11 Q And the reason for change provided here  
12 is: "Store business warrants increase to 12,000,"  
13 right?

14 A Yes.

15 Q And that would have been provided by  
16 you, that information, right?

17 MR. COLLINS: Objection. Form.

18 THE WITNESS: I don't know that.

19 BY MR. BOGLE:

20 Q Your name appears under "Approved by,"  
21 right?

22 A Yes.

23 MR. COLLINS: Objection. Asked and  
24 answered, mischaracterization.

1 BY MR. BOGLE:

2 Q That's what it says, right?

3 A Yes.

4 Q Okay. And is there any other reason  
5 listed for the change other than "Store business  
6 warrants increase to 12,000" --

7 A No.

8 Q -- provided on this form?

9 MR. COLLINS: Objection. Objection.  
10 Mischaracterization.

11 BY MR. BOGLE:

12 Q If we go to Bates page ending 4239.

13 So this has indicated a Level I review  
14 for hydrocodone from June 2010. Do you see that?

15 A Yes.

16 Q And it's noted that they've omitted for  
17 hydrocodone, right?

18 It says "EOM omit" under "Supporting  
19 Information" -- or next to "Supporting  
20 Information."

21 A Yes. I'm sorry, I'm not familiar with  
22 these. These are only documents the DRA has  
23 knowledge of.

24 Q What is an omit?

1           A       It means something wasn't filled.

2           Q       Okay. And one way in which somebody can  
3       omit is because they've reached their threshold,  
4       right?

5           A       Yes.

6           Q       Okay. If you go to the next page here,  
7       do you see where it says "Supporting Information"?

8                   Do you see that, the next page, Bates  
9       page ending 4240?

10          A       Yes.

11          Q       Okay. "Supporting Information" says:  
12       "Due to an increase in local prescriptions for  
13       hydrocodone, Matt has requested we raise his  
14       threshold on this item."

15                   Do you see that?

16          A       Yes.

17          Q       And the reason for TCR, two below that,  
18       says: "Business growth should be supported by  
19       corresponding sales increase."

20                   Do you see that?

21          A       Yes.

22          Q       Okay. And the specific request is to  
23       increase the number of hydrocodone doses by 5,000  
24       units, right? 5,000 doses.

1           A       Yes.

2           Q       Okay. And you see the next page, there  
3       are approvals from Dale Nusser and Michael Oriente  
4       on July 8, 2010, right?

5           A       Yes.

6           Q       Okay. And Dale Nusser, I think we  
7       talked about earlier works -- worked beneath you  
8       at this point in time, right?

9           A       Yes.

10          Q       So to approve this based on business  
11       growth, you would agree there should be some  
12       supporting documentation somewhere to support  
13       that, right, that their business has in fact grown  
14       legitimately?

15          A       I don't know that.

16          Q       You don't know whether that should be  
17       there?

18          A       I don't know if Mike got that or not.

19          Q       I'm asking whether it should be there.  
20       I'm not asking whether it is there.

21          A       I don't know.

22          Q       You don't know whether that should be  
23       there or not?

24          A       That would be up to Michael.

1 Q Okay.

2 A I don't know if he had to keep that or  
3 he disposed of it. I don't know.

4 Q You don't in fact know whether they got  
5 it, do you?

6 MR. COLLINS: Objection. Calls for  
7 speculation.

8 THE WITNESS: I'll testify that I never  
9 saw this document, and I'm not responsible for the  
10 document, but it's Michael Oriente that had the  
11 document.

12 BY MR. BOGLE:

13 Q Okay. Do you see page 4242 in this  
14 document?

15 It's another threshold change request,  
16 this time from July 23rd, 2010. Do you see that?  
17 The date's on the second page.

18 A Oh, thank you.

19 Q Do you see that date on there?

20 A Yes.

21 Q Okay. And this is to increase  
22 hydrocodone doses by 5,000 doses at this point in  
23 time, right?

24 MR. COLLINS: Objection. Lack of

1 foundation.

2 THE WITNESS: Yes.

3 BY MR. BOGLE:

4 Q Okay. And the reason cited is again  
5 business growth, right?

6 A It says -- if I could interject, it  
7 says: "Should be supported by corresponding sales  
8 increase."

9 Q Yeah. That's what it says, right?

10 A Yes.

11 Q And then "Supporting Information," it  
12 says: "The account opened last October 2009. The  
13 new owner is trying to increase his business in  
14 the area and reestablish the pharmacy. He has  
15 increased a number of prescriptions and requesting  
16 another increase for hydrocodone. He was already  
17 given an increase of 5,000 on the 8th of this  
18 month."

19 Do you see that?

20 A Yes.

21 Q So, again, whoever is approving this,  
22 Michael Oriente or otherwise, should be requesting  
23 documentation to support that increase, right?

24 MR. COLLINS: Objection. Form.

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1 THE WITNESS: I don't know. He may have  
2 it.

3 BY MR. BOGLE:

4 Q Should he? Should he, right? He  
5 should.

6 MR. COLLINS: Objection. Calls for a  
7 legal conclusion.

8 THE WITNESS: He may have it. I don't  
9 know.

10 BY MR. BOGLE:

11 Q Right. My question is, should he?

12 MR. COLLINS: Same objection. Calls for  
13 a legal conclusion.

14 THE WITNESS: I don't know that he  
15 doesn't have that.

16 BY MR. BOGLE:

17 Q That, sir, was not my question. I'm  
18 asking should he have requested it. I'm not  
19 asking whether he did or whether he's got it or  
20 what happened to it. I'm just asking if he  
21 should.

22 A I don't know that.

23 MR. COLLINS: I'm sorry --

24 BY MR. BOGLE:



1 Q You don't know if he should have?

2 MR. COLLINS: Let me object. Lack of  
3 foundation, lack of firsthand knowledge, calls for  
4 a legal conclusion.

5 BY MR. BOGLE:

6 Q You see on the next page, page 4243,  
7 this was approved by Michael Oriente and Duane  
8 McPherson. Do you see that?

9 A Yes.

10 Q Does Duane McPherson work at your  
11 distribution center?

12 A Yes.

13 Q Okay. Works beneath you?

14 A Yes.

15 Q We'll look at another one from the same  
16 month for oxycodone, July 2010, which is page  
17 4244.

18 Do you see they've omitted here for  
19 oxycodone, July 2010? Do you see that?

20 MR. COLLINS: Objection. Lack of  
21 foundation. The witness hasn't testified he has  
22 firsthand knowledge of this.

23 THE WITNESS: Yeah, I don't know what  
24 this is. If it doesn't respond to another

1 threshold change request earlier, is this the same  
2 one we went over?

3 BY MR. BOGLE:

4 Q We're about to walk through that. Just  
5 bear with me.

6 A Okay.

7 Q What it says here is an oxycodone omit,  
8 July 2010, right?

9 MR. COLLINS: Objection. Lack of  
10 foundation. Lack of firsthand knowledge.

11 THE WITNESS: This document is new to  
12 me, but that's what it says.

13 BY MR. BOGLE:

14 Q And it notes a Level I review, right?

15 MR. COLLINS: Objection. Lack of  
16 foundation.

17 THE WITNESS: Yes, it says "Document  
18 type."

19 BY MR. BOGLE:

20 Q Yep, Level I review. And Level I  
21 reviews at this point in time in 2010 were to be  
22 done by you or your designee at the distribution  
23 center, right?

24 A Or director of regular -- Regulatory

1       Affairs, either of -- either of them.

2               Q       Okay. But there's a -- the CSMP spells  
3       out involvement for the distribution center in  
4       that process, right?

5               A       I can't remember 2010. I apologize. I  
6       just don't know.

7               Q       You don't know. Okay.

8                       Do you see here then, if you go to the  
9       next page, this is again related to Best Care,  
10      where they're requesting an additional threshold  
11      increase for hydrocodone, right, 2,000 doses?

12                      MR. COLLINS: Objection. Lack of  
13      foundation, lack of firsthand knowledge.

14      BY MR. BOGLE:

15               Q       It's what the document indicates, right?

16                      MR. COLLINS: Same objections.

17                      THE WITNESS: I don't know if this is  
18      Michael's document, but I see it.

19      BY MR. BOGLE:

20               Q       Okay.

21               A       It says, "Amount, 2,000."

22               Q       And the reason for the request is noted  
23      to be business growth, should be supported by  
24      corresponding sales increase, right?

1 MR. COLLINS: Same objections. Lack of  
2 foundation, lack of firsthand knowledge.

3 THE WITNESS: Yes.

4 BY MR. BOGLE:

5 Q Okay. And then "Supporting Information"  
6 says: "This account's purchases are up overall.  
7 A review and site visit was done by Dale Nusser  
8 and Jim Gavatorta in the fall of 2009."

9 Right?

10 MR. COLLINS: Objection. Foundation.

11 THE WITNESS: Yes.

12 BY MR. BOGLE:

13 Q Okay. And that's the same one you  
14 referred to having occurred a year earlier, right?  
15 That we looked at earlier, sorry.

16 MR. COLLINS: Objection. Form.

17 BY MR. BOGLE:

18 Q Do you recall when we started looking  
19 through this document?

20 A Yes.

21 Q The first documentation, the first  
22 questionnaire related to a site visit was from the  
23 fall of 2009?

24 A Are you referencing the Level I

1 questionnaire?

2 Q I'm referencing what they're talking  
3 about, a review and site visit.

4 MR. COLLINS: Objection. Lack of  
5 foundation.

6 THE WITNESS: By "site visit," can you  
7 be more specific?

8 BY MR. BOGLE:

9 Q I'm talking about what's in this  
10 document. If you don't know, that's fine. We'll  
11 keep going.

12 But if you see here, this -- this  
13 threshold increase request from August 2010,  
14 approved by Diane Martin and Michael Oriente,  
15 right?

16 MR. COLLINS: Objection. Lack of  
17 foundation.

18 BY MR. BOGLE:

19 Q Do you see that on the next page?

20 A That's what it says here.

21 Q All right. Diane Martin, is that  
22 someone that worked for you as well?

23 A Yes.

24 Q Okay. What was your oversight of the

1 people that worked for you when they're -- they're  
2 signing off and approving these sort of requests?  
3 When you say you're not involved, what was your  
4 oversight of people like Mr. McPherson and  
5 Mrs. Martin when they're approving these?

6 MR. COLLINS: Objection. Lack of  
7 foundation, form, vague, confusing.

8 THE WITNESS: I didn't testify that I  
9 wasn't involved. I testified that they worked for  
10 me.

11 BY MR. BOGLE:

12 Q Mm-hmm. Yeah, I'm asking what your  
13 level of oversight was in this process.

14 MR. COLLINS: Objection. Form, vague,  
15 assumes facts not in evidence.

16 THE WITNESS: To make sure that they did  
17 the proper procedure and SOPs for New Castle.

18 BY MR. BOGLE:

19 Q Okay. Okay. Let's go to page -- Bates  
20 page ending 4249 in this document.

21 You see here is another threshold change  
22 request for oxycodone requesting a temporary  
23 increase by 50. Do you see that?

24 A Yes.

1           Q     Okay. And a reference is made back to,  
2     again, the site visit from more than a year prior,  
3     right, October 1, 2009?

4           MR. COLLINS: Objection. Lack of  
5     foundation, lack of firsthand knowledge.

6           THE WITNESS: Can you repeat that  
7     question for me, please?

8     BY MR. BOGLE:

9           Q     Yeah. They refer back to a site visit  
10    from October 2009 for this request in December  
11    2010, right?

12          MR. COLLINS: Objection. Lack of  
13    foundation, lack of firsthand knowledge.

14          THE WITNESS: It says "Temporary." I  
15    don't know if it was increased or not by this  
16    document.

17    BY MR. BOGLE:

18          Q     We'll get there. The reason for TCR  
19    noted on this page is increase in scripts, right?

20          A     That's what it says, yes.

21          Q     Okay. And the next page notes that it  
22    was approved by Joel Zwick and Michael Oriente,  
23    December 16, 2010.

24                Do you see that?

1 MR. COLLINS: Objection. Lack of  
2 foundation.

3 THE WITNESS: Yes. Yes, DRA.

4 BY MR. BOGLE:

5 Q Joel Zwick is somebody that also worked  
6 for you at this point in time?

7 A Yes. Yes.

8 Q Okay. The last one I want to look at  
9 for Best Care is on page 40 -- Bates page 4253.

10 And you see here this is a threshold  
11 change request related to oxycodone and  
12 hydrocodone from January 2011.

13 Do you see that?

14 A Yes, I do.

15 Q Okay. They're requesting 8,000  
16 additional doses for oxycodone and 5,000  
17 additional doses for hydrocodone, right?

18 MR. COLLINS: Objection. Foundation.

19 THE WITNESS: Yes, but it says threshold  
20 wasn't reached.

21 BY MR. BOGLE:

22 Q Yeah, I'm just asking what request  
23 they're making here.

24 A Yes, but I don't know how much it is.



1 I'm sorry.

2 Q Right, but they're asking to increase  
3 the amount of doses for oxycodone by 8,000 and  
4 hydrocodone by 5,000, right?

5 MR. COLLINS: Objection. Foundation.

6 BY MR. BOGLE:

7 Q That's what the document says, right?

8 MR. COLLINS: Same objection. Same  
9 foundation objection.

10 THE WITNESS: That's what the DRA's  
11 document says.

12 BY MR. BOGLE:

13 Q And "Supporting Information," it says:  
14 "Best Care has a new pain clinic, Edita Milan,  
15 that it services." Do you see that?

16 A Yes.

17 Q Okay. And you agree when there's a  
18 reference to a pain clinic, that's something that  
19 somebody needs to investigate, right?

20 MR. COLLINS: Objection.

21 BY MR. BOGLE:

22 Q As a potential red flag.

23 MR. COLLINS: Objection. Form, calls  
24 for a legal conclusion.

1 THE WITNESS: I don't know about Eda --  
2 Edita Milan, but that is something that Michael  
3 would have vetted out.

4 BY MR. BOGLE:

5 Q Okay. Something that should be  
6 investigated, right?

7 A That I think was.

8 Q Okay. Do you have any proof here that  
9 that was investigated?

10 A Not with this document. I'm not  
11 familiar with this.

12 Q Okay. So you have no reason to  
13 specifically say that Mr. Oriente vetted this  
14 because you don't have any documentary support of  
15 that, do you?

16 MR. COLLINS: Objection.  
17 Mischaracterization, argumentative.

18 THE WITNESS: I can't speak to what  
19 Michael did.

20 BY MR. BOGLE:

21 Q Right. And the reason for the TCR is:  
22 "Business growth should be supported by  
23 corresponding sales increase." Right?

24 MR. COLLINS: Objection. Foundation.

1 THE WITNESS: That's what it says there.

2 BY MR. BOGLE:

3 Q And this was one approved January 27,  
4 2011, by Diane Martin and Michael Oriente. Do you  
5 see that, the next page?

6 A Yes. Michael's director of Regulatory  
7 Affairs.

8 Q Also approved by Diane Martin, as  
9 indicated on that form, right?

10 A She evidently put it in.

11 Q Right. Do you recall another location  
12 of Best Care being in Lumberport, West Virginia?

13 MR. COLLINS: Are you -- I'm sorry.  
14 We've been going 70 minutes. Is this a good time  
15 to break?

16 MR. BOGLE: That's fine. I'm moving to  
17 a different pharmacy. That's fine.

18 THE VIDEOGRAPHER: The time is 12:47  
19 p.m. We're going off the record.

20 (Lunch recess.)

21 THE VIDEOGRAPHER: The time is  
22 1:35 p.m., and we're back on the record.

23 BY MR. BOGLE:

24 Q All right, Mr. Snider, we're back from

1 lunch. I wanted to pick up from where we were  
2 talking about before we broke.

3 So we were talking about Best Care  
4 Pharmacy. You recall that generally?

5 A Yes.

6 Q Okay. And I want to talk to you about  
7 their pharmacy in Lumberport, West Virginia. Are  
8 you familiar with that pharmacy?

9 A A little bit, yeah.

10 Q Okay. And that's a pharmacy that New  
11 Castle has serviced historically, right?

12 A Yes. It -- I believe it -- the  
13 documents show 2009, was it, it went onboard.

14 Q Okay. Yeah. So I want to take a look  
15 at some documents related to that location.

16 (Snider Exhibit No. 18 was marked  
17 for identification.)

18 BY MR. BOGLE:

19 Q I'm going to hand you Exhibit 1.1821,  
20 also marked as Exhibit 18 to your deposition.

21 All right. This is another one of these  
22 files, and you see the name on the outside is  
23 "Lumberport."

24 Do you see that?

1           A       Yes.

2           Q       Okay. And I want to walk through, first  
3 of all, the pharmacy questionnaire when they were  
4 onboarded.

5                   So if you go to page .2, you see there's  
6 a signature there on that page from you. Do you  
7 see that?

8           A       Yes.

9           Q       Okay. Related to Lumberport Pharmacy.  
10 And would this be you signing off on the pharmacy  
11 questionnaire that follows?

12          A       Yes. And the affidavit was signed by  
13 the pharmacist, I believe.

14          Q       Okay. So let's go to the questionnaire  
15 that starts on page .3. And you see there,  
16 they're noted to be a new customer going live  
17 October 1, 2009. Do you see that?

18          A       Yes.

19          Q       Okay. And the pharmacist's name there  
20 is a Matt Genin. Do you see that at the bottom?

21          A       Yes.

22          Q       Okay. You recognize that is the same  
23 name we just saw going through the Best Care  
24 Pharmacy at Weston, West Virginia. Do you recall

1       that name?

2           A       I don't remember, but it could be.

3           Q       Okay. Well, I can show you if you want  
4       to refresh on it. Let me -- give me one second to  
5       find that document.

6           MR. COLLINS: I honestly don't remember  
7       it, but --

8           MR. BOGLE: It's not a huge point, but I  
9       decided I wanted to make it, so we're --

10          MR. COLLINS: Fine. Fair enough. It's  
11       your depo.

12       BY MR. BOGLE:

13          Q       All right. So it's 1.1812, which I  
14       believe would be Exhibit 17 as well, the Best Care  
15       document we looked at right before lunch. I think  
16       it's the one you've got in your hand right there.

17          MR. COLLINS: That's 16.

18          MR. BOGLE: Oh, is it 16? Okay. Then  
19       that's the one I want, 16.

20          MR. COLLINS: What page? I'm sorry.

21       BY MR. BOGLE:

22          Q       So if you go to page on this one .11.  
23       It's again the pharmacy questionnaire.

24               Do you see the pharmacist's name there?

1           A       Yes.

2           Q       Do you see it's the same individual  
3 we're talking about there?

4           A       Yes. Same license.

5           Q       Yeah, same license number as well.  
6 Okay.

7                   So we're dealing with the same  
8 pharmacist involved with this Lumberport location  
9 here. So in looking further, he's also noted on  
10 .4 as the owner of the pharmacy.

11                   Do you see that?

12          A       I believe the owner, it says Bob Reep.

13          Q       Are you at -- are you back on  
14 Exhibit 18? Because I'm looking at page .4.

15          A       Well, I'm not sure who's the owner. Is  
16 it Bob Reep or Matt Genin?

17          Q       Well, let's look at .4, and we can take  
18 a look at that first.

19          A       Okay.

20          Q       So on .4, it says "Ownership/business  
21 history," and it says "Owner's name: Matt Genin,  
22 dba," which I believe means doing business as,  
23 "Best Care Pharmacy."

24                   Do you see that?

1           A       Yes.

2           Q       Okay. And it's actually got the Weston  
3 address of the Best Care Pharmacy we just looked  
4 at, right?

5           A       Yes.

6           Q       And continuing further on in this  
7 questionnaire, page .7, and you see here again  
8 they're outlining their controlled substances  
9 purchases as of October 2009, and they note 80  
10 percent of the controlled substances purchases  
11 were for hydrocodone.

12                   Do you see that?

13          A       Yes.

14          Q       Okay. And you would agree 80 percent of  
15 their controlled substances purchases being  
16 hydrocodone is a potential red flag that needs to  
17 be reviewed from the perspective of diversion,  
18 right?

19          A       I would agree that the director of  
20 Regulatory Affairs would have to look at that.

21          Q       Okay. It's something that should be  
22 looked at. I'm not saying -- again, I'm not  
23 saying necessarily that it's you on the front  
24 lines looking at that, but that should be



1 investigated, correct?

2 A It's something that I think the director  
3 of Regulatory Affairs should look at.

4 Q All right. Now, Lumberport, you  
5 understand that's another very small city, right?

6 MR. COLLINS: Objection.

7 BY MR. BOGLE:

8 Q In West Virginia.

9 MR. COLLINS: Objection to form.

10 THE WITNESS: I don't remember.

11 BY MR. BOGLE:

12 Q Okay. Have you ever been to Lumberport?

13 A No, I don't remember being there.

14 Q Okay.

15 (Snider Exhibit No. 19 was marked  
16 for identification.)

17 BY MR. BOGLE:

18 Q I hand you Exhibit 19.

19 Actually, let me ask you this: If the  
20 census data indicated there were fewer than a  
21 thousand people living in Lumberport, would you  
22 have reason to dispute that?

23 MR. COLLINS: Again, foundation.

24 THE WITNESS: I wouldn't know. I'd have

1 no reason to dispute it.

2 BY MR. BOGLE:

3 Q Okay. Let's just take a look real quick  
4 then. Exhibit 19, also marked as 1.1908, is what  
5 I'm handing you.

6 All right. It's another printout with  
7 population and other data. You see it's for  
8 Lumberport, West Virginia?

9 A Yes, I see.

10 Q And this is the most current data that I  
11 was able to obtain. The population noted here for  
12 Lumberport is 881 people. Do you see that?

13 A Yes.

14 Q Okay. Do you have any specific  
15 knowledge that would contradict that being the  
16 most current population data for Lumberport?

17 MR. COLLINS: Objection. Foundation.

18 THE WITNESS: I don't have any knowledge  
19 of the surrounding area of Lumberport.

20 BY MR. BOGLE:

21 Q Okay. All right. So let's go back to  
22 Exhibit 1.1821, and I want to specifically look at  
23 .19 is the page.

24 A Can you give me that exhibit again?

1           Q     It's 1.1821, the page is .19. The page  
2     should look like this (indicating).

3           MR. COLLINS: He's referring to the  
4     numbers at the top.

5           THE WITNESS: Oh, 1821.19, okay.

6     BY MR. BOGLE:

7           Q     Yeah.

8           A     Thank you.

9           Q     Are you at that page?

10          A     Yes.

11          Q     Okay. And you see here this is for  
12     threshold change form, October 19, 2009, for a  
13     permanent threshold change. Do you see that?

14          MR. COLLINS: Objection. Form.

15          THE WITNESS: I don't know if it's to  
16     start them. It looks like the day we opened them.

17     BY MR. BOGLE:

18          Q     Yeah, I'm just saying the date is  
19     October 19, 2009, right?

20          A     Yes.

21          Q     Okay. And it's a threshold change form  
22     requesting a permanent threshold change, right?

23          A     Yes, but I think it's the start of their  
24     ownership. I'm not sure because I'm -- we had a

1 Level I questionnaire on that date.

2 Q Okay. But all I'm --

3 A So I'm --

4 Q Okay. All I'm asking, though, is it's  
5 indicated to be a permanent change being  
6 requested, right?

7 A Yes.

8 Q Okay. And this is related to 9193,  
9 which I believe is hydrocodone. Do you see that?

10 A Yes.

11 Q And the current threshold is noted to be  
12 8,000 at this point in time, right?

13 A Yes.

14 MR. COLLINS: Objection.

15 Mischaracterization.

16 BY MR. BOGLE:

17 Q And there is a request to increase that,  
18 to double that, to 16,000 doses per month, right?

19 MR. COLLINS: Objection. Foundation.

20 THE WITNESS: Well, I'd have to -- oh,  
21 plus -- plus 8,000.

22 BY MR. BOGLE:

23 Q Right.

24 A Yes.

1           Q     They're asking to add 8,000 to the  
2     existing threshold, right?

3           A     Yes.

4           Q     Okay. So -- and it says for -- the  
5     reason for the requested change -- actually,  
6     strike that.

7                     When it's noted to increase a threshold,  
8     and we talk about by a certain number of doses, a  
9     dose when it comes to hydrocodone or oxycodone is  
10    a pill, right?

11          A     Usually a pill or an ounce.

12          Q     All right. When it comes in pill form,  
13    it's going to be a single pill, right?

14          A     Usually, yes.

15          Q     Okay.

16          A     That I know of.

17          Q     Okay. And the reason noted for the  
18    requested change here is: "Brand new account.  
19    Family threshold is set too low." Do you see  
20    that?

21          A     Yes.

22          Q     Okay. And this was submitted by you on  
23    October 20th, 2009, right?

24          A     Yes.

1           Q     And in addition, from sales, Jim  
2     Gavatorta; approved by Michael Oriente, right?

3           A     Yes.

4           Q     Okay. And to establish that the  
5     threshold is too low for the specific product, you  
6     would need to be able to look at the prescription  
7     data for hydrocodone and the overall prescription  
8     data to indicate whether this is too low.

9                     You agree with that, right?

10                    MR. COLLINS: Objection. Form.

11                    THE WITNESS: I would not have to look  
12     at that. I'd look at the --

13                    What year was this, please?

14     BY MR. BOGLE:

15           Q     October 2009.

16           A     I believe I would get the sales and the  
17     director of Regulatory Affairs or the -- or Jim  
18     would have gotten the script information.

19           Q     Right. But my question simply was,  
20     to -- whoever is making this determination at  
21     Regulatory would need to look at how much they're  
22     selling of hydrocodone and how that compares to  
23     their overall prescription sales at that time,  
24     right?

1           A       Yes. It says "80 percent,  
2       Medicare/Medicaid." They would verify that too.

3           Q       Okay. So looking at this file,  
4       though -- again, it's a fairly small file -- I did  
5       not see any indication of such data being attached  
6       to this form or in this file. Am I missing  
7       something here?

8           A       On the questionnaire of the same day, it  
9       says: "Call doctors to verify." So I don't know  
10      what all due diligence was done on that. There's  
11      no record of a call.

12          Q       Right. And there's also no new actual  
13      documentation of their prescription sales either  
14      for hydrocodone or overall sales in this packet,  
15      is there?

16          A       I don't see it.

17          Q       Okay. And I want to look at the next  
18      threshold change request, which is page .13. Do  
19      you see here this is a threshold change request  
20      that was approved July 19, 2010, by Duane  
21      McPherson and Michael Oriente?

22                   Do you see that --

23                   MR. COLLINS: Object --

24      BY MR. BOGLE:

1 Q -- on page .14?

2 MR. COLLINS: Objection. Foundation.

3 THE WITNESS: I see those names on  
4 there.

5 BY MR. BOGLE:

6 Q Okay. And it's noted to be approved as  
7 the approval status for both, right?

8 A I'm not familiar with this document. It  
9 went to the Pharmacy Regulatory Affairs.

10 Q Okay.

11 A So I wouldn't have seen this before.

12 Q But for Mr. McPherson, it says: "DC  
13 approval status, approved," right, next to it?

14 A That's what it says.

15 Q What the document says.

16 A Yes.

17 Q Same for Mr. Oriente, where it says "DRA  
18 approval status," next to it, it says "Approved,"  
19 right?

20 A It says DR -- is this number 13?

21 Q This is .14.

22 A Sorry.

23 Q The -- this document starts .13. I was  
24 trying to give you the sense of both pages of it.



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1           A       Okay. I didn't see the second page, I'm  
2       sorry. It has "DC approver, Duane" on it, and  
3       "DRA, Michael Oriente" on it.

4           Q       Okay. And then going back to .13 to see  
5       what request was made here, this is a request for  
6       an increase for hydrocodone by 5,000 doses.

7                   Do you see that?

8           A       Yes.

9           Q       And for "Supporting Information," it  
10       says: "Account purchase are up overall for the  
11       month due to an increase in local prescriptions."

12                   Do you see that as the supporting  
13       information?

14          A       I see that as under that column, yeah.

15          Q       Okay. And the reason for TCR is the  
16       same one we've seen several times today, "Business  
17       growth should be supported by corresponding sales  
18       increase."

19                   Do you see that reference?

20          A       Yes, but I don't know that isn't on the  
21       original TCR or that he didn't have that. I can't  
22       answer to that.

23          Q       Yeah, just -- I'm just -- right now I'm  
24       just saying that's what the document says, and I'm

1 going to get to my next question. Just bear with  
2 me.

3 That's what it says, first of all.  
4 That's the reason for TCR that's listed here,  
5 right? "Business growth should be supported by  
6 corresponding sales increase."

7 A What's your question, please?

8 Q That's what it says, right?

9 A Under "Reason for TCR" --

10 Q Yes, sir.

11 A -- yes. Yes.

12 Q Okay. And we just talked about -- in  
13 the file that was provided here for this pharmacy,  
14 there are -- there's no purchase data included  
15 here, is there, documentary purchase data?

16 MR. COLLINS: Objection. Form.

17 THE WITNESS: I don't -- I don't see  
18 that. I do see an attachment on October 20th from  
19 Michael.

20 BY MR. BOGLE:

21 Q Attachment of what?

22 A It doesn't say. A Word document.

23 Q Okay. All right. But to my -- do you  
24 recall my question, though? Do you see anything

1       that indicates an attachment here, there's actual  
2       physical documentation attached here showing  
3       purchase data?

4                   MR. COLLINS:  Objection.  Form.

5                   THE WITNESS:  I don't see anything  
6       except that Word document attachment that's not  
7       attached here.

8       BY MR. BOGLE:

9           Q       Okay.  And how do you know that's not  
10       attached?

11          A       I don't see it.

12          Q       Okay.  Do you see there's a -- on that  
13       same day -- I think you're looking at page .20.

14          A       Yes.

15          Q       Okay.  And that references a Lumberport  
16       TCF, hydrocodone, 10/19/09, right?

17          A       I don't know.

18          Q       So the document -- that's what it says,  
19       the attachment, right, that you're referring to?

20          A       Yes.  Yeah.

21          Q       Okay.  And you see the previous page,  
22       10/19/09, I believe is the one we just looked at a  
23       minute ago, same date, hydrocodone, increase  
24       request?

1 MR. COLLINS: Objection. Form.

2 THE WITNESS: I -- I --

3 MR. COLLINS: What's the question?

4 THE WITNESS: I see it.

5 BY MR. BOGLE:

6 Q It's the same date and for the same  
7 product that you're refer- -- that's being  
8 referenced in the attachment there, right? And  
9 the same pharmacy.

10 A Yes, it is.

11 Q Okay. And TCF is threshold change,  
12 right, form?

13 A Yes. That's usually what we refer to.

14 Q All right. Let's go to next page .15 in  
15 this document.

16 And on .15 and .16 is an additional  
17 threshold change request for hydrocodone for an  
18 additional 2,000 doses.

19 Do you see that?

20 MR. COLLINS: Objection. Foundation.

21 THE WITNESS: Yeah, this is a Pharmacy  
22 Regulatory Affairs document. I didn't always see  
23 these, and I didn't see this.

24 BY MR. BOGLE:

1           Q     Okay. Do you see that there, though,  
2     the request for 2,000 additional doses for  
3     hydrocodone?

4                     MR. COLLINS: Same objections.

5                     THE WITNESS: It's what it looks like,  
6     yes.

7     BY MR. BOGLE:

8           Q     And on .16, this was approved by Diane  
9     Martin at your facility and Michael Oriente,  
10    October 26, 2010 -- or August 26, 2010, right?

11                    MR. COLLINS: Objection. Foundation.

12                    THE WITNESS: That would mean Diane  
13    would have sent it in to the director of  
14    Regulatory Affairs.

15    BY MR. BOGLE:

16           Q     Right. But what's noted in the document  
17    is approval dates, August 26, 2010, for both of  
18    them, right?

19           A     I believe that's when Diane sent it in,  
20    yes.

21           Q     Okay. And what's noted here, if you go  
22    back to page .15 for supporting information, it  
23    says: "This accounts purchases are up overall. A  
24    review and visit were done by Dale Nusser and Jim

1 Gavatorta in the fall of 2009."

2 Do you see that?

3 A Yes.

4 Q Okay. So that's a full year prior to  
5 this request when this review was done, right?

6 MR. COLLINS: Objection. Misstates the  
7 document.

8 THE WITNESS: I would think that's  
9 reasonable.

10 BY MR. BOGLE:

11 Q Okay. So the supporting information for  
12 this increase in August 2010 is that there had  
13 been a review and site visit nearly a year before,  
14 right?

15 A I don't know what else was included with  
16 Michael's DRA due diligence.

17 Q But that's what's indicated here for  
18 supporting information on this form, right?

19 A The form says that, yes.

20 Q Right. And it's for a permanent  
21 request, again based on "Business growth should be  
22 supported by corresponding sales increase."  
23 That's what's indicated on the form, right?

24 MR. COLLINS: Objection. Form.

1 THE WITNESS: That's what it says on the  
2 form. I don't know that he doesn't have that.

3 BY MR. BOGLE:

4 Q Right. You don't know either way,  
5 right?

6 A No.

7 Q And for Lumber -- I'm sorry, strike  
8 that.

9 For Best Care, they also had a pharmacy  
10 in Belington, West Virginia, right? Do you recall  
11 that, servicing that pharmacy too?

12 A Yes, I do.

13 Q Okay. And Belington, West Virginia, do  
14 you know anything about the population for that  
15 city?

16 A No, I don't. I don't. I don't think I  
17 remember being there.

18 Q Okay. Any reason to dispute they have  
19 about 2,000 people in Belington, West Virginia?

20 MR. COLLINS: Objection. Foundation.

21 THE WITNESS: I wouldn't dispute that.  
22 I don't know.

23 (Snider Exhibit No. 20 was marked  
24 for identification.)

1 BY MR. BOGLE:

2 Q Okay. And I want to look at some of the  
3 documentation on the Belington location. I hand  
4 you Exhibit 20, also marked as Exhibit 1.1822.

5 All right. We see here, we start with  
6 page .5. It's a threshold change form from  
7 August 20, 2009. Do you see that?

8 A It's a Level I documentation, yes.

9 Q Right. You say Level I documentation.  
10 I'm looking at the threshold change form. Are we  
11 looking at something different?

12 A Oh, I'm sorry. Yeah, .5?

13 Q Yes. Yes, sir.

14 A I apologize, I was.

15 Q That's all right.

16 Okay. You see -- you see August 20,  
17 2009, there on that one, right?

18 A Yes.

19 Q Where it says "Belington Prescription in  
20 Belington, West Virginia."

21 A Yes.

22 Q Do you see that name?

23 A Yep.

24 Q And the current threshold noted here for



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1       them on hydrocodone is 12,000. Do you see that?

2           A       Increase amount 2,000 -- current  
3       threshold, 12, yes.

4           Q       Right. And they're asking for 2,000  
5       more, right?

6           A       Yes.

7           Q       Okay. And the reason for change noted  
8       here is: "Increase in business, stopped buying  
9       from competitor Bellco. All hydrocodone bought  
10      from McKesson."

11                   Do you see that as the reason noted?

12          A       I see that, yes.

13          Q       Okay. When customers tell you that  
14      they've stopped buying from one of your  
15      competitors, that's something you would ask for  
16      them to substantiate, right, to prove that?

17          A       That's something Michael would ask to  
18      substantiate that so he could get the data.

19          Q       And that -- that should be confirmed,  
20      right?

21                   MR. COLLINS: Objection. Form.

22                   THE WITNESS: I can't answer if he did  
23      or didn't.

24      BY MR. BOGLE:

1           Q     I didn't ask you that. That should be  
2 confirmed, right?

3           MR. COLLINS: Objection. Calls for a  
4 legal conclusion. Form. Foundation.

5           THE WITNESS: I can't answer if he did  
6 or didn't.

7 BY MR. BOGLE:

8           Q     Okay. Listen to my question.  
9                 That should be confirmed, right? I  
10 didn't ask you whether he did confirm. I'm  
11 asking, that's something that should be confirmed  
12 when a customer tells you that?

13          MR. COLLINS: Objection. Calls for a  
14 legal conclusion, form, foundation.

15          THE WITNESS: I answered. I can't --  
16 I'm not sure if he did or didn't.

17 BY MR. BOGLE:

18          Q     Right. But should he have, from your  
19 perspective?

20          A     I can't answer for him, sir.

21          Q     Okay. And this is noted as being  
22 approved by both yourself and Michael Oriente on  
23 August 20, 2009, right?

24          MR. COLLINS: Objection to the term

1 "approved."

2 THE WITNESS: I signed the threshold  
3 change request to be put through.

4 BY MR. BOGLE:

5 Q Right. This says "Approved by," and  
6 there's your name and there's Michael Oriente's  
7 name, right?

8 MR. COLLINS: Objection.  
9 Mischaracterization.

10 THE WITNESS: I signed it to be sent to  
11 the Regulatory Affairs director.

12 BY MR. BOGLE:

13 Q And if you go to page .11.

14 MR. BOGLE: .11 and .12, can we just  
15 pull those up side by side on the screen? Thanks.

16 BY MR. BOGLE:

17 Q Do you see this is a threshold change  
18 request for hydrocodone for Belington approved  
19 August 16, 2010? Do you see that?

20 MR. COLLINS: Objection. Foundation.

21 THE WITNESS: I didn't -- I don't know  
22 this document. I'm sorry. Can you go through it  
23 again?

24 BY MR. BOGLE:

1           Q     Yeah. You see on page .12, "DC approval  
2     status: Approved Duane McPherson, August 16,  
3     2010." Right?

4                     MR. COLLINS: Objection. Foundation.

5                     THE WITNESS: Yes.

6     BY MR. BOGLE:

7           Q     And "DRA approval status: Approved by  
8     Michael Oriente," three minutes later, "August 16,  
9     2010." Right?

10                    MR. COLLINS: Objection. Foundation.

11                   THE WITNESS: I already testified to how  
12     it works. I don't know what due diligence was  
13     done before or after the call.

14     BY MR. BOGLE:

15           Q     Right. I'm just asking if that's --  
16     that's what is indicated here.

17           A     You said three minutes.

18           Q     Yeah, 10:59 to 11:02.

19           A     Correct.

20           Q     And then -- so going back to .11,  
21     they're requesting here an increase of 4,000 doses  
22     for hydrocodone, a permanent increase, right?

23           A     It looks like this form says it was  
24     increased.

1 Q Right. That's what they were  
2 requesting, and that's what they got, right?

3 A Well, I don't see the TCR with this, but  
4 I do see this form.

5 Q Okay. And "Supporting Information"  
6 says: "Belington was recently sold to Best Care  
7 Pharmacy Group in May 2010. New scripts from this  
8 acquisition has caused a need for an increase in  
9 their hydrocodone threshold."

10 Do you see that?

11 A Yes.

12 Q Okay. And again, business growth is the  
13 reason provided, right?

14 A No, it was sold.

15 Q Right. But the reason for TCR, it says:  
16 "Business growth should be supported by  
17 corresponding sales increase." Right?

18 MR. COLLINS: Objection. Lack of  
19 foundation.

20 THE WITNESS: Yeah, supporting  
21 correspondence above, yes.

22 BY MR. BOGLE:

23 Q Okay. And so, again, if there's an  
24 acquisition which has caused an increased need,

1       that's again something that would need to be  
2       confirmed with documentation, right?

3               MR. COLLINS:  Objection.  Calls for a  
4       legal conclusion.

5               THE WITNESS:  I don't know.  It could  
6       have been done with a phone call or a check of the  
7       pharmacy license or a call to the State Board of  
8       Pharmacy.

9       BY MR. BOGLE:

10              Q       But just the purchase itself doesn't  
11       mean they need more pills, right?  You would need  
12       to show a business need documented beyond just the  
13       purchase itself, right?

14              MR. COLLINS:  Objection.  Calls for a  
15       legal conclusion, foundation, form.

16              THE WITNESS:  I don't know what Michael  
17       did to show on that.

18       BY MR. BOGLE:

19              Q       Okay.  All right.  So let's go to  
20       page .13 and .14.

21                     Do you see here this is another  
22       threshold change request for hydrocodone  
23       requesting a temporary increase of 9,000 doses?  
24       Do you see that?

1 A Yes.

2 Q This was approved by Joel Zwick and  
3 Michael Oriente, November 15, 2010, right?

4 A Joel sent it to Michael.

5 Q The note is approving on November 15 --

6 A Oh, I'm sorry, I correct myself.

7 Dale Nusser sent it to Michael.

8 Q Right. .14 indicates that Joel Zwick  
9 and Michael Oriente both noted as approving this  
10 on November 15, 2010, right?

11 MR. COLLINS: Objection. Lack of  
12 foundation, lack of firsthand knowledge.

13 THE WITNESS: Joel sent it, yes. I  
14 believe. I don't know this form. But it shows  
15 that Joel sent it, and then above here, it says  
16 "Submitter name: Dale Nusser."

17 BY MR. BOGLE:

18 Q And it does show it was approved, right?

19 MR. COLLINS: Objection. Form.

20 THE WITNESS: The way I see it, I don't  
21 see a signature, but the -- the -- Michael  
22 Oriente's name is on the -- this document.

23 BY MR. BOGLE:

24 Q And it says "Approved," right?

1 MR. COLLINS: Objection. Form.

2 BY MR. BOGLE:

3 Q On .14.

4 MR. COLLINS: Objection. Form.

5 THE WITNESS: "DRA approval status:

6 Approved."

7 BY MR. BOGLE:

8 Q Yep. And for "Supporting Information"

9 on this one, it says: "The customer was robbed on

10 Sunday. All hydrocodone products were stolen

11 except for two bottles of Vicodin 5/500. Customer

12 to send a copy of police report when received."

13 Do you see that?

14 A Yes.

15 Q Do you see a copy of the police report

16 here in this file?

17 MR. COLLINS: Objection. Foundation.

18 THE WITNESS: I don't know that that's

19 in here. I don't see it in what you gave me.

20 BY MR. BOGLE:

21 Q Okay. This is the document as produced.

22 I'm giving you what was produced to us.

23 Do you see it in this?

24 A I didn't produce it.



1 Q Huh?

2 A I didn't produce it. I don't know.

3 Q I'm just asking you if you see the  
4 police report in this packet related to this  
5 pharmacy.

6 MR. COLLINS: Objection. Argumentative.

7 THE WITNESS: I don't see it in here.

8 BY MR. BOGLE:

9 Q Okay. Are you aware that ultimately one  
10 of the owners of Best Care was prosecuted for  
11 illegally diverting opioids?

12 A I am aware that an owner of Best Care  
13 was prosecuted, and we cut them off.

14 Q Well, you're aware that there was a --  
15 there was an arrest and a prosecution for one of  
16 the owners of Best Care for diversion of opioid  
17 products, right?

18 MR. COLLINS: Objection. Foundation.

19 THE WITNESS: I was aware that he was  
20 arrested. That's all.

21 (Snider Exhibit No. 21 was marked  
22 for identification.)

23 BY MR. BOGLE:

24 Q Okay. Let me hand you 1.1251,

1 Exhibit 21.

2 This is a news release from the U.S.  
3 Department of Justice, June 3rd, 2014, titled  
4 "Pharmacist charged with illegal distribution of  
5 painkillers."

6 Do you see that?

7 A Yes.

8 Q Have you ever seen this press release  
9 related to Best Care?

10 A No, I haven't.

11 Q Okay. How did you become aware of the  
12 arrest then?

13 A I don't remember. Probably the DRA.

14 Q Okay. And if you look in the press  
15 release, it says: "A West Virginia pharmacist has  
16 been indicted on charges that he dispensed  
17 prescription painkillers outside the scope of his  
18 professional practice."

19 And then it says: "United States  
20 Attorney William Ihlenfeld, II, announced that  
21 Mario Blount, 51, of Bridgeport, West Virginia,  
22 was arrested this morning on charges of conspiracy  
23 to possess and distribute Schedule II controlled  
24 substances, distribution of oxycodone and a

1 failure to report the filling of a prescription."

2 Do you see that?

3 A Yes.

4 Q And it says: "Blount, who was employed  
5 by Best Care Pharmacy, is alleged to have  
6 conspired with two other individuals over the last  
7 three years to distribute prescription painkillers  
8 for non-legitimate medical purposes."

9 Do you see that reference?

10 A Yes.

11 Q Okay. And skip a paragraph, the next  
12 one says: "The Greater Harrison County Drug Task  
13 Force executed search warrants in October 2013 at  
14 Best Care Pharmacy locations in the West Virginia  
15 towns of Bridgeport, Lumberport and Belington."

16 Do you see that?

17 A Yes.

18 Q And that's the three facilities we've  
19 just been looking at over the last hour or so,  
20 right?

21 A Yes.

22 Q And then the last paragraph on this page  
23 says: "Mr. Blount abused the trust of the  
24 citizens of Bridgeport and the customers of Best

1 Care Pharmacy. These arrests serve as a warning  
2 that the illicit distribution of controlled  
3 substances will not be tolerated in Harrison  
4 County, said Karl C. Colder, Special Agent in  
5 Charge, Drug Enforcement Administration,  
6 Washington, D.C. Field Division. Over  
7 approximately three years, Mr. Blount illegally  
8 dispensed over 11,000 oxycodone and oxymorphone  
9 pills."

10 Do you see that?

11 A I see that, yes.

12 Q And you know McKesson was the supplier  
13 of those pills, right?

14 MR. COLLINS: Objection. Assumes facts  
15 not in evidence, foundation.

16 THE WITNESS: I don't know that.

17 BY MR. BOGLE:

18 Q Well, your New Castle facility was  
19 supplying Best Care with those very drugs during  
20 that very time period, right?

21 MR. COLLINS: Objection. Argumentative,  
22 assumes facts not in evidence.

23 THE WITNESS: I don't know that.

24 BY MR. BOGLE:

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1                   Q     You don't know if you were supplying  
2     them?

3                   A     No.

4                   MR. COLLINS:  Objection.

5     BY MR. BOGLE:

6                   Q     You don't know if Best Care Pharmacy was  
7     a customer of yours for 2010 to 2014?

8                   MR. COLLINS:  Objection.  Argumentative.

9     BY MR. BOGLE:

10                  Q     I'm just asking if you know or not.

11                  MR. COLLINS:  Objection.  You just asked  
12     the same -- you've asked the same question two or  
13     three times.

14                  THE WITNESS:  I don't know.

15     BY MR. BOGLE:

16                  Q     You don't know?

17                  Okay.  We just saw from all three of  
18     those facilities threshold change requests  
19     approved for some of these very drugs covering all  
20     the way up until 2011, and it's your -- that came  
21     from your facility at New Castle, and it's your  
22     testimony that after seeing all that, you don't  
23     know if you supplied them with any oxycodone or  
24     oxymorphone pills?

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1 MR. COLLINS: Objection. Assumes facts  
2 not in evidence. The question is compound.

3 THE WITNESS: I don't -- I don't know  
4 that. He could have other wholesalers. I don't  
5 know that.

6 BY MR. BOGLE:

7 Q You don't even know if he had other  
8 wholesalers?

9 A I don't remember that, no.

10 Q Okay.

11 A No.

12 Q Isn't that something you would need --  
13 that you would want to know?

14 MR. COLLINS: Objection. Calls for a  
15 legal conclusion, argumentative.

16 THE WITNESS: I would want the director  
17 of Regulatory Affairs to know that.

18 BY MR. BOGLE:

19 Q You would want him to know that. It's  
20 okay, as the guy who is responsible for making  
21 sure that the New Castle isn't involved in  
22 diversion, you don't care if you know that or not?

23 MR. COLLINS: Objection. Argumentative.  
24 Object to the theatrics.

1 THE WITNESS: Can you restate the  
2 question, if you want?

3 BY MR. BOGLE:

4 Q Well, I don't think there's anything  
5 wrong with that question.

6 MR. COLLINS: Objection. It's --

7 THE WITNESS: Can you repeat it then?

8 BY MR. BOGLE:

9 Q Yeah.

10 You don't think that as the individual  
11 or director of operations for New Castle  
12 responsible for making sure that facility isn't  
13 involved in diversion, you don't think it's  
14 important for you to know whether you were the  
15 only supplier of these pills to this -- these  
16 pharmacies or whether somebody else was too?

17 MR. COLLINS: Objection. Argumentative,  
18 compound, object to the theatrics, asked and  
19 answered.

20 THE WITNESS: I don't know.

21 BY MR. BOGLE:

22 Q You don't know whether that's something  
23 you should know?

24 A I've already answered that. You keep

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1 asking me. I don't know. He could have had  
2 another wholesaler. I don't know that. I don't  
3 remember.

4 Q But you know you were one -- that your  
5 facility at New Castle certainly was one of the  
6 wholesalers, right?

7 MR. COLLINS: Objection.

8 BY MR. BOGLE:

9 Q We've seen documentary support for that.

10 MR. COLLINS: Objection. The  
11 question --

12 BY MR. BOGLE:

13 Q Right?

14 MR. COLLINS: Well, the question is now  
15 compound three times.

16 THE WITNESS: I -- I answered that, yes.

17 BY MR. BOGLE:

18 Q Yes, you were. Okay.

19 And you said this pharmacy was cut off.  
20 They were cut off for about two weeks, right, Best  
21 Care?

22 MR. COLLINS: Objection. Assumes facts  
23 not in evidence, foundation.

24 THE WITNESS: I don't remember.



1 BY MR. BOGLE:

2 Q You don't remember?

3 A No.

4 Q Okay.

5 A That would be the director of Regulatory  
6 Affairs.

7 Q Well, the pills come out of your  
8 facility, right?

9 MR. COLLINS: Objection.

10 THE WITNESS: I don't know that. I  
11 answered to that.

12 BY MR. BOGLE:

13 Q Does -- does Regulatory Affairs run your  
14 facility?

15 MR. COLLINS: Objection. Form. The  
16 question is vague.

17 BY MR. BOGLE:

18 Q I mean, do you defer all responsibility  
19 for the pills that go out of New Castle to  
20 Regulatory Affairs?

21 MR. COLLINS: Objection. Argumentative.

22 THE WITNESS: No.

23 BY MR. BOGLE:

24 Q Okay. Because that's -- it's your job,

1 right?

2 MR. COLLINS: Objection.

3 THE WITNESS: What's my job, please?

4 I'm not sure --

5 BY MR. BOGLE:

6 Q To know what's leaving your facility and  
7 to whom it's going to and whether they can be  
8 trusted.

9 A I didn't --

10 MR. COLLINS: Objection. The question  
11 is compound, it's vague, calls for a legal  
12 conclusion, lacks foundation.

13 BY MR. BOGLE:

14 Q I think it's a good question, so go  
15 ahead.

16 MR. COLLINS: My objections stand.

17 THE WITNESS: I stand by my record and  
18 what I do at the facility.

19 BY MR. BOGLE:

20 Q That's -- that's not my question, sir.

21 A That's the best I can answer.

22 Q My question is, is it your testimony  
23 that your responsibilities as director of  
24 operations at New Castle does not include knowing

1       who you're selling to and what purpose they're  
2       using those pills for?

3               MR. COLLINS:  Objection.  Argumentative,  
4       compound, vague, calls for a legal conclusion.

5               THE WITNESS:  Can you repeat the  
6       question?

7       BY MR. BOGLE:

8               Q       Right.  Is it your testimony here today  
9       that it's not your responsibility as director of  
10      operations for New Castle to know who you're  
11      selling to and what they're using the products for  
12      that you're selling them?

13              MR. COLLINS:  Objection.  Calls for a  
14      legal conclusion.  It's compound and it's also  
15      vague.

16              THE WITNESS:  The best I can answer that  
17      is I know my customers, and when I don't, I make  
18      sure the DRA and the VP/GM know.

19      BY MR. BOGLE:

20              Q       Okay.  So you knew -- you knew the folks  
21      at Best Care then, right?

22              MR. COLLINS:  Objection.  Assumes facts  
23      not in evidence.

24              THE WITNESS:  Not personally, no.

1 BY MR. BOGLE:

2 Q You say it's your responsibility to know  
3 the customer or the DRA knows them, so either you  
4 knew them or the DRA knew them. Who knew them?

5 MR. COLLINS: Objection. Argumentative,  
6 compound.

7 THE WITNESS: I can't answer that for  
8 the DRA or the VP/GM.

9 BY MR. BOGLE:

10 Q What about you, did you know them?

11 A I didn't --

12 MR. COLLINS: Objection. Question is  
13 compound.

14 THE WITNESS: -- know them personally.

15 BY MR. BOGLE:

16 Q Did you find them trustworthy to give  
17 them all those pills?

18 MR. COLLINS: Objection.

19 THE WITNESS: I didn't know --

20 MR. COLLINS: I'm sorry. Please let me  
21 finish my objection.

22 THE WITNESS: Sorry.

23 MR. COLLINS: These questions are vague,  
24 compound, argumentative.

1 BY MR. BOGLE:

2 Q Did you trust them to let those pills  
3 out of your facility that ultimately they were --  
4 one of their owners was arrested for diverting?

5 MR. COLLINS: Objection. The question  
6 is vague, "them."

7 THE WITNESS: I wouldn't trust an owner  
8 that was arrested for diversion, no.

9 BY MR. BOGLE:

10 Q But you did trust that owner.

11 MR. COLLINS: Objection. Argumentative.

12 BY MR. BOGLE:

13 Q Right?

14 MR. COLLINS: Objection. Argumentative.

15 THE WITNESS: I protest to the word  
16 "trust." I didn't know him.

17 BY MR. BOGLE:

18 Q Okay. Do you know anybody that did at  
19 McKesson?

20 A Yeah, Jim --

21 Q That did know that customer?

22 A Yeah, Jim Gavatorta did, and so did  
23 Brian.

24 Q Brian Ferreira?

1           A       Yeah.

2           Q       Okay. So they would be the ones to say  
3 whether they were trustworthy prior to this arrest  
4 being made, right?

5           A       I can't answer to that. I just know  
6 they knew them.

7           Q       Okay. I'm going to hand you what I'm  
8 marking as Exhibit 1.1794, also marked as  
9 Exhibit 22.

10                   (Snider Exhibit No. 22 was marked  
11 for identification.)

12 BY MR. BOGLE:

13           Q       All right. And you see this is a  
14 monthly report from a Tim Foster to an Andrew  
15 Moore, June 2014 monthly report.

16                   Do you see that?

17                   MR. COLLINS: Objection. Found- --

18 BY MR. BOGLE:

19           Q       First page.

20                   MR. COLLINS: Objection. Foundation.

21                   THE WITNESS: It looks like it. I'm not  
22 familiar with this document.

23 BY MR. BOGLE:

24           Q       Okay. Well, let me ask you, on page 2,

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1 I think it references something on Best Care. I  
2 want to know if you knew this independent of this  
3 document.

4 It says on point 2, it's the -- one,  
5 two, three, four, five, six -- sixth bullet point  
6 that starts with "Mario Blount." Do you see that  
7 paragraph?

8 A Yes.

9 Q Okay. It says: "Mario Blount, partial  
10 owner of the Best Care Group, was arrested in  
11 early June on numerous narcotics charges, several  
12 in relation to drug overdose deaths. As a result,  
13 we shut off all narcotics at both Best Care  
14 locations, Bridgeport and Lumberport, on Friday,  
15 6/6. After a review of their dispensing and  
16 surveys, we were unable to turn narcotics back on  
17 because Blount was still listed as a 10 percent  
18 owner. As of 6/20, Blount was bought out of the  
19 group, and we were able to review them again. On  
20 6/24, Drew Schwichow did site visits and will make  
21 a determination from there, and from that, they  
22 were turned on 6/26."

23 Do you see that?

24 A I do.

1           Q     Twenty days that you guys weren't  
2     providing them narcotics, right?

3           MR. COLLINS:  Objection.  Assumes facts  
4     not in evidence, lack of foundation.

5     BY MR. BOGLE:

6           Q     6/6 to 6/26, that's 20 days that you  
7     guys stopped providing them narcotics, including  
8     opioids, right?

9           MR. COLLINS:  Objection --

10    BY MR. BOGLE:

11           Q     Based on this document.

12           MR. COLLINS:  Objection.  Compound,  
13     argumentative, assumes facts not in evidence,  
14     lacks foundation.

15           THE WITNESS:  I can't say to what Tim  
16     put in this document.

17    BY MR. BOGLE:

18           Q     Okay.

19           A     I don't know that.

20           Q     Do you recall ceasing sales to any of  
21     these Best Care locations for more than 20 days?

22           A     I don't recall how many days we ceased  
23     sales of any controls.

24           Q     Okay.  And the next bullet point says:



1 "Rich Mace, owner of Mace's Pharmacies, purchased  
2 the Best Care Belington location and closed on  
3 this sale on May 16th."

4 Do you see that?

5 A Yes.

6 Q Okay. And Mace's Pharmacy, that's  
7 another one we discussed earlier and reviewed some  
8 TCRs for, right? Remember talking about that  
9 earlier today with me?

10 A Yes, I do. Yes.

11 Q Okay. Same guy, right, Mace's?

12 MR. COLLINS: Objection. Foundation.

13 BY MR. BOGLE:

14 Q Mace's Pharmacy, do you remember talking  
15 about that?

16 MR. COLLINS: What's the question?

17 THE WITNESS: I answered that "yes."

18 BY MR. BOGLE:

19 Q Okay. Are you familiar with Martella's  
20 Pharmacy in Pennsylvania?

21 A Yes.

22 Q And that's a pharmacy that the New  
23 Castle Distribution Center has serviced over the  
24 years, right?

1           A       Yes.

2           Q       Okay. And when they were brought on as  
3       a new customer in late 2010, they immediately  
4       began requesting threshold increases for opioids,  
5       right?

6           A       I don't recall that.

7           Q       You don't know. Okay.

8                   Do you recall them in 2010 threatening  
9       to go to another distributor if those increases  
10      weren't approved?

11          A       No.

12                   (Snider Exhibit No. 23 was marked  
13                   for identification.)

14       BY MR. BOGLE:

15          Q       There's Exhibit 2- --  
16                   Do you need to --

17          A       No.

18          Q       Exhibit 23, also marked as 1.1900.  
19                   MR. COLLINS: This is 23?

20                   MR. BOGLE: Yeah.

21       BY MR. BOGLE:

22          Q       Okay. It's a string of e-mails here,  
23       but I want to start with the threshold change  
24       request e-mail, which is the last one in the

1 document on page .2.

2 Do you see it's from SharePoint,  
3 October 19, 2010?

4 A Yes.

5 Q To Dale Nusser, cc'ing other  
6 individuals, including you?

7 A Yes.

8 Q Okay. And this relates to threshold  
9 increases that were approved for multiple drugs,  
10 including increasing the oxycodone threshold to  
11 12,000 doses on this date, right?

12 A That's what it says, yes.

13 Q Okay. And it says in the paragraph  
14 above the three drugs that are noted to be  
15 increased: "New customer load. Customer was  
16 loaded to the lower thresholds than expected."

17 Do you see that?

18 A Yes.

19 Q Okay. And so if you go up to the  
20 e-mails that follow, going up from there, there's  
21 an e-mail from Dale Nusser to John Kuczynski,  
22 October 19, 2010 thereafter.

23 Do you see that e-mail?

24 A Yes.

1           Q     Okay.  There Dale says:  "John,  
2     Martella's is ready to go for ordering.  Michael  
3     approved the TCR with no questions."

4                     Do you see that?

5           A     Sorry.

6           Q     The e-mail starts on point -- the first  
7     page and carries over to the second.

8                     MR. COLLINS:  If you need a moment to  
9     review it, why don't you review it.

10                    THE WITNESS:  I'm sorry.  Where is that,  
11     please?  What part of that first page?

12     BY MR. BOGLE:

13           Q     So the bottom of the first page just  
14     introduces the e-mail.  The text I just read you  
15     is on the top of page 2.

16           A     Oh, okay.  Yeah, I see that now.

17           Q     Okay.  Now, John Kuczynski, he's in  
18     what, sales?

19           A     Yes.

20           Q     Okay.  So John responds back to Dale and  
21     says:  "What about the overall thresholds?  Is he  
22     adjusting everything?"

23                     And the response by Dale to that on the  
24     next e-mail is:  "Michael didn't say.  I will keep

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1 a close eye on them. If they do happen to show up  
2 on the 80 percent report, I will do the TCR  
3 immediately, if you don't mind."

4 And then John responds: "Waiting for an  
5 item to show up at 80 percent isn't going to work.  
6 They omitted on an item yesterday before the 80  
7 percent report came out. We need to adjust their  
8 numbers across the board. Please work with  
9 Michael to get this issue resolved. We can't be  
10 in a reactionary mode right now with them."

11 Do you see that?

12 A Yes.

13 Q Okay. This 80 percent report, that  
14 references customers at this point in time in  
15 2010, once they had reached a certain percentage,  
16 in this instance 80 percent, there would be a  
17 report sent to the folks at McKesson, which would  
18 then trigger them to reach out to the customer and  
19 see if they wanted to increase their thresholds,  
20 right?

21 MR. COLLINS: Objection. Form, lack of  
22 foundation, assumes facts not in evidence.

23 THE WITNESS: No, they wouldn't -- we  
24 wouldn't call that. They would call us when it

1 was over the threshold.

2 BY MR. BOGLE:

3 Q So you're saying that in this time frame  
4 in October 2010, McKesson would not call on  
5 customers and say, Hey, you've hit your 80 percent  
6 mark; do you want more?

7 MR. COLLINS: Objection.

8 BY MR. BOGLE:

9 Q Do you want to increase your threshold?

10 MR. COLLINS: Objection. Form, vague.

11 THE WITNESS: Not that I know of, no.

12 BY MR. BOGLE:

13 Q Okay. Do you recall ever being copied  
14 on e-mails where customers were notified that they  
15 had reached 75 or 80 percent of their threshold  
16 and asked whether they want to increase it?

17 A I don't recall that, no.

18 Q Okay. So you don't know what this  
19 80 percent report is that's being referenced here?

20 A I didn't say that. I do know what it  
21 is.

22 Q What's the 80 percent report then?

23 A That they reached 80 percent of their  
24 threshold.

1           Q     Right. And that the customer will be  
2 notified of that, right?

3           A     No, I already testified that that wasn't  
4 the way I did it.

5           Q     And that's not how that would be done  
6 for any customers of New Castle. Is that your  
7 testimony?

8           A     Not that I know of, no.

9           Q     Okay.

10          A     I also wanted to add that it says here:  
11 "Please attach usage report provided by customers  
12 for all products as a part of the due diligence."

13          Q     Okay. But there's no report attached to  
14 the document provided to us, right?

15          A     But it says it in the e-mail, so --

16          Q     It asks for it to be attached, right?

17                   MR. COLLINS: Objection.

18                   Mischaracterization.

19                   BY MR. BOGLE:

20          Q     There's no report attached. That's all  
21 I can say. I mean, I see -- I hear what you're  
22 adding here.

23          A     Yeah.

24          Q     But it's not here.

1 MR. COLLINS: Objection. It's a  
2 mischaracterization of the exact language in the  
3 document.

4 BY MR. BOGLE:

5 Q Is there any usage report attached to  
6 this e-mail chain?

7 A I don't see that you have it here.

8 Q Okay. I have what was given to me.

9 And I want to look at some further  
10 information on Martella's in this request for  
11 threshold increases. The threshold increase that  
12 were being requested in October of 2010, you're  
13 the one that ultimately approved those, right?

14 MR. COLLINS: Objection to the form.

15 THE WITNESS: No.

16 BY MR. BOGLE:

17 Q You weren't? Okay.

18 (Snider Exhibit No. 26 was marked  
19 for identification.)

20 BY MR. BOGLE:

21 Q I hand you Exhibit 26, also marked as  
22 1.1842.

23 All right. So looking -- I want to  
24 start by looking at an e-mail on the first page in



1 the middle. Do you see it's an e-mail from  
2 Jennifer -- Jennifer Melvin to you and several  
3 others? Do you see that, October 21, 2010?

4 A Yes.

5 Q And this references Martella's Pharmacy,  
6 right?

7 A Yes.

8 Q And it says: "ServiceFirst" --  
9 What is ServiceFirst?

10 A It's a customer care center.

11 Q Okay. Part of McKesson?

12 A Yes.

13 Q -- "has began calling on all of the NE  
14 regions CSMP 85 to 99.99 percent threshold calls  
15 this month."

16 Do you see that?

17 A Yes.

18 Q "Evidently, Martella's was called by the  
19 sales rep last month, and then both ServiceFirst  
20 and the sales rep this month, and is upset that  
21 his thresholds are not where he feels they should  
22 be. Today ServiceFirst called on hydrocodone, the  
23 account was at 91.58 percent, so they also would  
24 have received a notice on their invoice."

1                   And then it says: "ServiceFirst only  
2       makes one call per month to the account. We  
3       wanted you to know that the account was very  
4       unhappy and threatened to pull his business from  
5       McKesson. Please review and see if there's  
6       anything else that may need to be looked at  
7       regarding his thresholds."

8                   Do you see that e-mail?

9           A       Yes.

10          Q       Okay. And so this indicates that  
11       ServiceFirst and the sales rep responsible for  
12       this account were certainly calling this customer  
13       once -- in this instance, they reached the 85  
14       percent mark, right?

15                   MR. COLLINS: Objection.

16       BY MR. BOGLE:

17          Q       Of the threshold.

18                   MR. COLLINS: Objection to the form.

19                   THE WITNESS: I don't know if it doesn't  
20       mean that they called them because they were over  
21       the threshold or that they called them first, but  
22       I don't recall ServiceFirst doing this.

23       BY MR. BOGLE:

24          Q       Well, you see the sentence that says:

1 "Today ServiceFirst called on the hydrocodone, the  
2 account was at 91.85 percent."

3 So that indicates a call was made before  
4 they had reached the threshold, right? They're 91  
5 percent.

6 MR. COLLINS: Objection to the form.

7 THE WITNESS: I think that's what  
8 Jennifer is trying to say here.

9 BY MR. BOGLE:

10 Q Right. So that's news to you that those  
11 kind of calls were being made before a threshold  
12 was reached?

13 A I did not remember that.

14 Q Okay. It's your --

15 A Or like I say, I can't testify that they  
16 weren't called because the previous month they  
17 went over the threshold or that the customer  
18 called them already. I don't know that.

19 Q What we do know here indicated from  
20 Jennifer, she is saying ServiceFirst called them  
21 on hydrocodone, at the very least, before the  
22 threshold was reached.

23 A For whatever reason.

24 MR. COLLINS: Objection to the form.

1 BY MR. BOGLE:

2 Q All right. And then so John Kuczynski  
3 responds to that e-mail on October 22, 2010, the  
4 second paragraph, he says: "I'm meeting with  
5 Martella's in about an hour, and I'm going to  
6 reassure him that we are addressing this issue.  
7 Please make sure every effort is made to adjust  
8 their threshold levels prior to them hitting the  
9 85 percent level to prevent omits or SF from  
10 calling them."

11 SF being ServiceFirst, right?

12 A I would think.

13 Q Okay. Do you see that reference there?

14 A Yes.

15 Q Okay. And so this -- strike that.

16 So the hydrocodone increase in October  
17 2010 that's being referenced here potentially, you  
18 didn't approve that ultimately?

19 MR. COLLINS: Object.

20 BY MR. BOGLE:

21 Q Is that your testimony?

22 MR. COLLINS: Objection to the form.

23 THE WITNESS: No. I -- I don't know.

24 BY MR. BOGLE:

1 Q You don't know?

2 A No, I don't remember from this e-mail.

3 Q Okay. But you wouldn't have approved it  
4 anyway, right, because you don't -- you don't  
5 approve threshold increases, right?

6 A I submit them and let the DRA, which I  
7 think was Michael at the time, vet it out fully.

8 Q But you don't approve them yourself.  
9 That's been your testimony throughout this  
10 deposition, right?

11 A I submit them.

12 Q Right. But you don't approve them,  
13 right?

14 A I submit them.

15 Q Okay. Well, I'm asking you, do you  
16 approve them? Did you approve them in 2010?

17 MR. COLLINS: Objection to the form.  
18 It's vague.

19 THE WITNESS: I submitted them.

20 BY MR. BOGLE:

21 Q Okay. Is there a difference in your  
22 mind between submitting and approving a threshold  
23 increase?

24 A Yes. The way you put the words, it's

1       like I can make a threshold happen, and I'm trying  
2       to testify that I cannot of and on my own put a  
3       threshold through.

4                       (Snider Exhibit No. 27 was marked  
5                       for identification.)

6       BY MR. BOGLE:

7               Q       Okay. I'm handing you what's marked as  
8       1.1843, Exhibit 27.

9                       This is a continuation of the discussion  
10       regarding Martella's. And you see here the last  
11       e-mail, it's another SharePoint e-mail from  
12       October 25, 2010, noting that the threshold  
13       increase has been approved by you and Michael  
14       Oriente for five drugs, including hydrocodone and  
15       methadone, right, for Martella's?

16                      MR. COLLINS: Objection to form.

17                      THE WITNESS: That's what this e-mail  
18       says from SharePoint.

19       BY MR. BOGLE:

20               Q       And the hydrocodone increase was by  
21       20 percent is what's indicated, right?

22               A       Yes.

23               Q       Methadone by 20 percent, right?

24               A       Yes.

1           Q     Okay. And the change type is noted to  
2     be permanent. Right?

3           A     Yes.

4           Q     And this was approved without dispensing  
5     data, wasn't it?

6           MR. COLLINS: Objection. Assumes facts  
7     not in evidence, form.

8           THE WITNESS: I -- I disagree with that.  
9     BY MR. BOGLE:

10          Q     Okay. You see where it says "DRA  
11     approval comments" at the bottom, "Completed.  
12     Please secure from customer hydrocodone dispensing  
13     data ASAP." Do you see that?

14          A     I see it.

15          Q     Okay. So you're saying he already had  
16     it, but for some reason he -- Mr. Oriente wanted  
17     to get it again?

18          MR. COLLINS: Objection. Argumentative,  
19     form.

20          THE WITNESS: I can't answer to what he  
21     meant, but he -- he could have meant it was -- we  
22     have the data.

23     BY MR. BOGLE:

24          Q     It could have meant he -- you had the

1 data when he said you need to get the data. Is  
2 that your testimony?

3 MR. COLLINS: Objection. Form,  
4 argumentative. Calls for speculation as to what  
5 this witness thought somebody other -- somebody  
6 else meant when they wrote something.

7 THE WITNESS: I can't answer to what  
8 Michael meant on that e-mail.

9 BY MR. BOGLE:

10 Q Okay. Well, let's keep looking at this  
11 e-mail chain.

12 You then say on the next e-mail,  
13 October 25, 2010, at 1:52, to John Kuczynski:  
14 "John, when can you get the usage?"

15 Do you see that?

16 A Yes.

17 Q Okay. Then your next e-mail to John on  
18 October 26 says again: "Can you get what Michael  
19 requested? The usage was incomplete. I believe  
20 Dale said something," question mark. "I've upped  
21 them to about the highest I've ever done anyone as  
22 per previous e-mails. Will you be able to call to  
23 discuss?"

24 Do you see that?



1           A       I'm sorry, I skipped the -- I was  
2       looking at the one before that. "I met with Joel  
3       Martella," you want the one above that?

4           Q       I'm reading the e-mail that you sent on  
5       October 26, 2010.

6                   MR. COLLINS: Objection. The witness is  
7       confused and lost. If you could direct him to  
8       where you're --

9       BY MR. BOGLE:

10          Q       Sure. October 26, 2010, second e-mail  
11       on the page from you to John Kuczynski. I'll read  
12       it again.

13                   "Can you get what Michael requested?  
14       The usage was incomplete. I believe Dale said  
15       something? I upped them to about the highest I've  
16       ever done anyone as per previous e-mails."

17                   That's what you said to Mr. Kuczynski,  
18       right?

19          A       Yes.

20          Q       You didn't say that Michael Oriente  
21       upped them; you said you upped them, right?

22          A       Yes, but I can't do that myself. I  
23       can't put a threshold through without DRA  
24       approval.

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1           Q     But what you say here is that you upped  
2     them, right? And you were a little concerned  
3     about that, right --

4                     MR. COLLINS: Object --

5     BY MR. BOGLE:

6           Q     -- because you didn't have the usage  
7     data?

8                     MR. COLLINS: If that's a question, I  
9     object. It's compound multiple ways. It's  
10    argumentative.

11                    THE WITNESS: I asked the DRA to do his  
12    due diligence, which he did. The pharmacy had  
13    trouble with the usage data, and I said it was  
14    incomplete. And I can't make it up them at any  
15    point in time. I can't do that.

16    BY MR. BOGLE:

17           Q     It was --

18           A     I can't even do it in the system.

19           Q     It was incomplete, but the threshold was  
20    approved, right?

21                    MR. COLLINS: Objection.

22    BY MR. BOGLE:

23           Q     And you're still concerned the next day  
24    where is the data, right? That's what you're

1       talking about here, isn't it?

2                   MR. COLLINS:  Objection.  It's three  
3       questions.  Compound.  It's argumentative.  It's  
4       been asked and answered.

5       BY MR. BOGLE:

6           Q       You're still looking for the data the  
7       next day, aren't you?

8           A       I'm making sure the due diligence is  
9       done.  I don't know what Michael had.

10          Q       Well, you know that you had said that  
11       you upped it, and you wanted to see the data,  
12       right, because you didn't have it?

13                  MR. COLLINS:  Objection.  The question  
14       is compound again.

15       BY MR. BOGLE:

16          Q       Would you ask to see data that you had?

17          A       I didn't ask to see it.

18          Q       You didn't.  You said:  "Can you get  
19       what Michael requested?"

20          A       Yes.

21          Q       "I upped them to about the highest I've  
22       ever done anyone."

23          A       Right.  That doesn't mean I did it  
24       because I can't.  That's the point I'm trying to

1       make: I can't up a threshold myself.

2               Q       Okay. So that just wasn't true when you  
3       said that.

4                       MR. COLLINS: Objection. Argue- --

5       BY MR. BOGLE:

6               Q       Right? That's a false statement?

7                       MR. COLLINS: Objection. Argumentative.  
8       You don't have to answer that.

9       BY MR. BOGLE:

10              Q       True?

11                      Yeah, you do.

12                      MR. COLLINS: No, you don't.

13       BY MR. BOGLE:

14              Q       That was a false statement when you made  
15       it in the e-mail --

16                      MR. COLLINS: Object.

17       BY MR. BOGLE:

18              Q       -- is that your testimony?

19                      MR. COLLINS: Objection. Argumentative.

20       BY MR. BOGLE:

21              Q       You can answer it.

22                      MR. COLLINS: Argumentative. Object to  
23       the theatrics.

24       BY MR. BOGLE:

1           Q     Sir, was that a false statement when you  
2     made it in the e-mail?

3           MR. COLLINS:  Objection.  Calls for  
4     speculation, argumentative.

5           THE WITNESS:  No.

6     BY MR. BOGLE:

7           Q     Okay.  And there were additional  
8     threshold increases approved for Martella's for  
9     hydrocodone after this date, right?

10          MR. COLLINS:  Objection.  Assumes facts  
11     not in evidence.  Lack of --

12     BY MR. BOGLE:

13          Q     Do you know?

14          MR. COLLINS:  Lack of foundation.

15          THE WITNESS:  I don't know.

16          (Snider Exhibit No. 28 was marked  
17     for identification.)

18     BY MR. BOGLE:

19          Q     All right.  Let's take a look at  
20     Exhibit 28, 1.1901.

21                 This is the following month, the first  
22     e-mail at the bottom from SharePoint, November 23,  
23     2010, to Joel Zwick, cc'ing several individuals,  
24     including you, right?

1           A       I'm sorry. It's from -- oh, to Joel  
2       Zwick?

3           Q       Yeah.

4           A       Yeah.

5           Q       Cc'ing multiple people, including you,  
6       right?

7           A       Yes.

8           Q       And this relates to a threshold change  
9       for Martella's in November 2010, right?

10          A       Yes.

11          Q       Okay. And this notes that Dale Nusser  
12       and Michael Oriente approving a 2,000 dose  
13       increase for hydrocodone for Martella's on  
14       November 23rd, right?

15                   MR. COLLINS: Objection. Foundation.

16                   THE WITNESS: The director of Regulatory  
17       Affairs approved it. I don't see the -- the  
18       record of it, but it looks like he says he  
19       approved it. I'm not sure.

20       BY MR. BOGLE:

21          Q       Okay. Well, the -- okay.

22                   And in the paragraph -- the second sort  
23       of paragraph there notes "Change type:  
24       Permanent," right?

1           A       Yes, that's right.

2           Q       And the reason again being: "Business  
3 growth should be supported by corresponding sales  
4 increase."

5                   The same thing we've seen throughout the  
6 deposition, right?

7           A       It says: "New customer still adjusting  
8 thresholds to accommodate purchases. Also, there  
9 are four accounts under this DEA number. The  
10 number of scripts have increased for all four  
11 pharmacies."

12          Q       Okay. Do you see that there?

13          A       Yes.

14          Q       Okay. Do you see any proof of their  
15 purchases attached to this e-mail?

16          A       No.

17          Q       And Dale Nusser responds to this e-mail  
18 to John Kuczynski saying: "John, they are  
19 approved and ready to order for tomorrow."

20                   Do you see that?

21          A       Yes.

22          Q       And in 2016, you actually received a  
23 subpoena from the DEA for information about  
24 controlled substances that McKesson -- that the

1 New Castle center supplied to Martella's, right?

2 MR. COLLINS: Objection. Foundation.

3 THE WITNESS: I would have to see that.

4 BY MR. BOGLE:

5 Q You don't remember that?

6 (Snider Exhibit No. 29 was marked  
7 for identification.)

8 BY MR. BOGLE:

9 Q All right. Exhibit 29, also  
10 Exhibit 1.1902.

11 Okay. We see this is McKesson's  
12 Controlled Substance Monitoring Program,  
13 Regulatory Investigative Report dated December 15,  
14 2016.

15 Do you see that?

16 A Yes.

17 Q Related to customer's name, Martella's  
18 Pharmacy, right?

19 A Yes.

20 Q And in the first paragraph under  
21 "Details," it says: "This report is in reference  
22 to a DEA administrative subpoena received on  
23 December 13, 2016, for all invoicing records for  
24 Martella's Pharmacy from January 1, 2015, through



1 November 30, 2016."

2 And then it provides the location for  
3 Martella's, and it says it's currently serviced  
4 out of the New Castle No. 8772 Distribution  
5 Center.

6 That's the number for New Castle, right?

7 A Yes.

8 Q "The DEA subpoena was faxed to director  
9 of operation for New Castle DC, Blaine Snyder."

10 That's you, right?

11 A Yes. It's spelled wrong, but that's me.

12 Q I figured there is not another Blaine  
13 Snider.

14 And if you go to .3, page .3 in this  
15 document, third page, there's a purchase history  
16 review section in the middle, and it says:

17 "Current solver information for fiscal year '17,  
18 Quarter 2, revealed that the business control  
19 ratio is 21.17 percent. This is above the mean  
20 for control prescriptions in the New Castle DC."

21 Do you see that?

22 A Yes, I see it.

23 Q So you see this is identifying a  
24 potential red flag with a ratio of the number of

1 controlled substances versus total purchases,  
2 right?

3 A I can testify that I don't know this  
4 document and I've never seen this.

5 Q Okay. So you don't know what that means  
6 when he says that?

7 A I can't speculate on that.

8 Q Okay. Well, you did receive the  
9 subpoena, you don't dispute that when it says that  
10 in this document?

11 A No, I got -- if it says I did, I'm sure  
12 I got it --

13 Q Okay.

14 A -- and passed it on to Aaron.

15 Q And Martella's orders were not blocked  
16 for controlled substances after the subpoena was  
17 received, right?

18 MR. COLLINS: Objection. Foundation.

19 THE WITNESS: I don't know.

20 BY MR. BOGLE:

21 Q You don't know if your distribution  
22 center kept giving them pills?

23 A I don't remember when they were blocked.  
24 I apologize. I just don't know.

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1           Q     Okay. You know, though, that just last  
2     week the owner of Martella's was indicted on 109  
3     counts of diversion of controlled substances,  
4     right?

5           A     Yes, I read that. Izzy sent that to me.

6           Q     Okay. Sent it to you when?

7           A     Tuesday or Wednesday.

8           Q     Okay. So you've seen that recently,  
9     right?

10          A     Yes.

11          Q     Okay. And you know that that indictment  
12     pertains to controlled substances that were  
13     provided to Martella's by your distribution  
14     center, right?

15               MR. COLLINS: Objection. Lack of  
16     foundation, assumes facts not in evidence.

17               THE WITNESS: I don't know if it says  
18     that. I did not read that.

19     BY MR. BOGLE:

20          Q     Do you know, though? I mean, when you  
21     got this just a couple of days ago, did you look  
22     and say, Boy, was my distribution center the one  
23     giving them stuff?

24               MR. COLLINS: Objection. Calls for

1 speculation. Foundation.

2 THE WITNESS: I read it.

3 BY MR. BOGLE:

4 Q Okay. But, again, you didn't follow up  
5 to see if you guys were the ones supplying them?

6 A I will say this: It was in Izzy's hands  
7 and the director of Regulatory Affairs. We used  
8 to call it a Level III.

9 Q Okay. But you do know as of 2016, with  
10 this DEA subpoena, and going back as far as 2010  
11 in the documents we looked at, during that time  
12 period certainly McKesson and your distribution  
13 center specifically was supplying Martella's,  
14 right?

15 MR. COLLINS: Objection. The question  
16 is vague. Form.

17 THE WITNESS: I don't know if we were  
18 supplying all of his controls or pharmaceuticals.

19 BY MR. BOGLE:

20 Q I didn't ask you if you were supplying  
21 all. I said that you were supplying him, right?

22 A Some.

23 Q He was a customer.

24 MR. COLLINS: Objection. Form.

1 BY MR. BOGLE:

2 Q He was a customer of McKesson's New  
3 Castle Distribution Center --

4 A Yes.

5 Q -- during that time frame, right?

6 MR. COLLINS: Objection.

7 THE WITNESS: Yes, he was.

8 MR. COLLINS: Objection. The question  
9 is --

10 BY MR. BOGLE:

11 Q And as we just saw from the e-mails we  
12 just -- the e-mail and the investigative report  
13 from 2016, those purchases included four opioids,  
14 right?

15 MR. COLLINS: Objection. Assumes facts  
16 not in evidence.

17 THE WITNESS: I don't know the subpoena,  
18 but he did have opioid purchases.

19 (Snider Exhibit No. 30 was marked  
20 for identification.)

21 BY MR. BOGLE:

22 Q Okay. I'm going to hand you what's  
23 marked as Exhibit 30, 1.1905.

24 Do you see it's another DOJ press

1 release from November 2nd, 2018, just a few days  
2 ago. And the title is "Johnstown pharmacist  
3 charged with -- charged in 109-count indictment  
4 with illegally creating bogus prescriptions and  
5 then dispensing the drugs."

6 Do you see that title?

7 A Yes, I do.

8 Q Okay. Thereafter it says: "A  
9 Johnstown, PA, pharmacist has been indicted by a  
10 federal grand jury in Pittsburgh on charges of  
11 dispensing and distributing controlled substances  
12 and conspiring to distribute and dispense  
13 controlled substances, by United States Attorney  
14 Scott W. Brady announced today."

15 Then it says: "The 109-count indictment  
16 returned on October 30th named Joseph M. Martella,  
17 53, of Johnstown, Pennsylvania."

18 Then it says: "According to the  
19 indictment presented to the court, Martella owned  
20 and operated Martella's Pharmacy located on  
21 Franklin Street in Johnstown. The indictment  
22 alleges that Martella, a pharmacist, conspired  
23 with Dr. Peter James Ridella, who previously  
24 pleaded guilty, and with an individual known as JR

1 to create and submit unlawful prescriptions for  
2 oxycodone; oxycodone and acetaminophen, also known  
3 as Percocet; oxymorphone, also known as Opana;  
4 morphine sulfate, also known MS Contin; and  
5 hydrocodone and acetaminophen, also known as  
6 Vicodin, and then unlawfully dispensed those  
7 controlled substances to other persons."

8 Do you see that?

9 A I see that, yeah.

10 Q Okay. And have you done any sort of  
11 investigation in the last week as to the time  
12 period covered in this indictment when these  
13 alleged violations occurred?

14 MR. COLLINS: Objection. The question  
15 is vague. It's compound.

16 THE WITNESS: No, I actually didn't see  
17 this article, but Izzy sent me another article  
18 about the newspaper.

19 BY MR. BOGLE:

20 Q Okay. So --

21 A And --

22 Q I'm sorry, go ahead.

23 A I was told by the manager, Izzy's boss,  
24 to make sure I cut off Franklin Street Pharmacy,

1       and I did. Oh, he does that. I just make sure  
2       there was no will-calls or anything.

3               Q       That was after the indictment, though,  
4       right?

5               A       Yes. Well, I believe so. It was, I  
6       believe, Sunday or Monday. I don't remember which  
7       day.

8               Q       Okay.

9                       (Snider Exhibit No. 31 was marked  
10                      for identification.)

11       BY MR. BOGLE:

12               Q       I'm handing you Exhibit 31 to your  
13       deposition, 1.1904.

14                      This is the actual indictment for  
15       Martella's. And if you look to the point I just  
16       asked you about the covered period for this  
17       conduct, on page 10, do you see the paragraph  
18       starts there "From in and around"?

19                      MR. COLLINS: I'm sorry. Can I have a  
20       proffer as to the relevance of this? It certainly  
21       doesn't involve Summit County, it doesn't involve  
22       Cuyahoga County, it doesn't involve the cities of  
23       Cleveland or Canton. Can I have a proffer as to  
24       the relevance?



1 MR. BOGLE: No.

2 MR. COLLINS: Okay.

3 MR. BOGLE: You're entitled to nothing  
4 of the sort.

5 MR. COLLINS: Okay. Well --

6 BY MR. BOGLE:

7 Q "From in and around April 2011 and  
8 continuing thereafter to in and around June 2016  
9 in the Western District of Pennsylvania, the  
10 Defendant Joseph M. Martella," and it goes on to  
11 repeat sort of the allegations I talked about as  
12 far as the diversion of controlled substances,  
13 including opioids.

14 Do you see that?

15 A Yes, I see it.

16 Q Okay. So the time period April 2011  
17 to June 2016 -- first of all, April 2011, that's  
18 just a few months after you noted in an e-mail  
19 that you approved a threshold increase as high as  
20 you had ever done, right?

21 MR. COLLINS: Objection.

22 BY MR. BOGLE:

23 Q Do you remember that e-mail?

24 MR. COLLINS: Objection. The question

1 is compound. It's actually three questions. It's  
2 also vague.

3 BY MR. BOGLE:

4 Q Do you remember the e-mail? We can pull  
5 it back out.

6 A I sent --

7 Q I'm happy to pull it back out.

8 A I sent a threshold. That's what I  
9 testified to.

10 Q All right. Let's pull it back out.

11 1.1843, Exhibit 27. Do you have that  
12 e-mail?

13 MR. COLLINS: Can you give an exhibit  
14 number?

15 MR. BOGLE: 27.

16 BY MR. BOGLE:

17 Q Do you recall looking at this e-mail,  
18 the one on the first page here, the second e-mail  
19 on the page from October 26, 2010, where you tell  
20 John Kuczynski: "I upped them to about the  
21 highest I've ever done anyone as per previous  
22 e-mails"? Do you see that?

23 A I see this.

24 Q And that involved threshold increases

1       for drugs including methadone and hydrocodone,  
2       right?

3                   MR. COLLINS:  Objection.  Lack of  
4       foundation.

5       BY MR. BOGLE:

6           Q       That's what the form says on the second  
7       page.

8                   MR. COLLINS:  Objection.  Foundation.  
9       Vague.  Argumentative.

10                  THE WITNESS:  Yes.  I see that Michael  
11       approved that.

12       BY MR. BOGLE:

13           Q       Okay.  You also see your e-mail where  
14       you say you upped it, right?

15           A       I already discussed that.  I didn't up  
16       it.  I sent the threshold request.  I keep saying  
17       that.

18           Q       Right, right.

19                   Some few -- just a few months before the  
20       covered period of conduct discussed in the  
21       indictment we just looked at, right?

22                   MR. COLLINS:  Objection.  Compound.

23                  THE WITNESS:  I don't know.

24                   MR. COLLINS:  Lack of foundation.

1 BY MR. BOGLE:

2 Q The covered period starting April 2011?

3 MR. COLLINS: I'm sorry. The question  
4 is irrelevant to this litigation.

5 MR. BOGLE: I doubt that.

6 BY MR. BOGLE:

7 Q Do you see that?

8 MR. COLLINS: I'm sorry. What's the  
9 question?

10 BY MR. BOGLE:

11 Q Back to -- back to Exhibit 1.1904,  
12 Exhibit 31, covered period beginning April 2011.

13 MR. COLLINS: What's the --

14 BY MR. BOGLE:

15 Q Just a few months after the -- you  
16 granting them the biggest increase you had ever  
17 done.

18 MR. COLLINS: What's the question?

19 BY MR. BOGLE:

20 Q Do you see that?

21 MR. COLLINS: I'm sorry. That's not a  
22 proper question. You need to ask a legitimate,  
23 proper question.

24 MR. BOGLE: No, I'm good with that one.

1 BY MR. BOGLE:

2 Q Do you see that?

3 MR. COLLINS: See what?

4 BY MR. BOGLE:

5 Q See that in the indictment? The covered  
6 period was just a few months after the threshold  
7 that you said you upped.

8 MR. COLLINS: Objection.

9 Mischaracterization.

10 BY MR. BOGLE:

11 Q For hydrocodone and methadone for this  
12 pharmacy.

13 MR. COLLINS: Objection. The question  
14 is compound. It's also argumentative.

15 THE WITNESS: I see what it says now.

16 MR. BOGLE: I'm moving to a whole other  
17 topic area. If we can take a break, and we'll  
18 reload documents.

19 THE VIDEOGRAPHER: The time is 2:47 p.m.  
20 We're going off the record.

21 (Recess.)

22 THE VIDEOGRAPHER: The time is 3:03 p.m.  
23 We're back on the record.

24 BY MR. BOGLE:

1           Q     All right. Mr. Snider, I want to shift  
2     gears to a different topic area.

3                     We talked about earlier that Ohio was  
4     one of the states that customers -- that your New  
5     Castle Distribution Center services, right?

6           A     Yes.

7           Q     And you know that Ohio in recent years  
8     has had a high level of abuse and diversion of  
9     opioids within that state, right?

10                    MR. COLLINS: Objection. Form.  
11     Foundation.

12                    THE WITNESS: I know it's in the papers,  
13     yes.

14     BY MR. BOGLE:

15           Q     Okay. And you've read those stats,  
16     right?

17           A     Yes.

18           Q     On that topic.

19                    MR. COLLINS: Objection. Form.

20                    THE WITNESS: Yeah.

21     BY MR. BOGLE:

22           Q     Okay. I want to hand you what I'm  
23     marking as Exhibit 1.1434, so Exhibit 32.

24                    (Snider Exhibit No. 32 was marked

1 for identification.)

2 BY MR. BOGLE:

3 Q This is an e-mail from Krista Peck to a  
4 large group of individuals, June 10, 2014. Do you  
5 see that?

6 MR. COLLINS: Objection. Foundation.

7 THE WITNESS: Yes. It looks --

8 BY MR. BOGLE:

9 Q Okay. And noted in the e-mail, it says:  
10 "Attached is the regulatory presentation to the DC  
11 Ops team at National Sales Conference (NSC) in  
12 May."

13 Do you see that?

14 A Yes.

15 Q So the DC ops is DC operations,  
16 distribution center operations?

17 A Yes.

18 Q Okay. So that's a meeting you would  
19 have attended, right?

20 A What year is it?

21 MR. COLLINS: Objection.

22 BY MR. BOGLE:

23 Q 2014.

24 MR. COLLINS: Objection. Form.

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1 THE WITNESS: I don't know if I attended  
2 that one.

3 BY MR. BOGLE:

4 Q Okay. Is that a meeting you generally  
5 would attend?

6 A Normally, I do. I'm not sure, in 2014,  
7 I was exempted because I believe I was -- that's  
8 when I was putting up a new distribution center in  
9 Delran.

10 Q Okay. Would you have -- if you did not  
11 attend this specific session, would you generally  
12 have requested the materials that were passed  
13 out --

14 MR. COLLINS: Objection.

15 BY MR. BOGLE:

16 Q -- so you could catch up to speed?

17 MR. COLLINS: Objection. Form.

18 THE WITNESS: I certainly would think  
19 so, yes.

20 BY MR. BOGLE:

21 Q Okay. So I want to look at the -- just  
22 one slide from this PowerPoint deck that was  
23 presented in 2014. If you go to page .13.

24 Do you see there is a slide titled



1 "Current Rx Drug Diversion Trends"? Do you see  
2 that?

3 A Yes.

4 Q Okay. And then it lists various states  
5 and various opioid products, right?

6 A Yes.

7 Q Okay. And for oxycodone, for example,  
8 Ohio is ranked as number 5 for drug diversion,  
9 right?

10 MR. COLLINS: Objection. Foundation.

11 BY MR. BOGLE:

12 Q As of 20 -- as of 2013 is what it  
13 indicates there.

14 A That's I think what it indicates.

15 Q Okay. Hydrocodone -- Ohio is listed as  
16 number 7 in drug diversion for hydrocodone, right?

17 A That's what it looks like, yes.

18 Q Hydromorphone, number 8 for Ohio, right?

19 A Yes.

20 Q And for oxymorphone, number 7 for the  
21 state of Ohio as far as drug diversion.

22 A Yes. I don't know the quantification  
23 for drug diversion, but I see the slide for sure.

24 Q And then as far as the authority for

1       this, it's noted below the chart: "States with  
2       highest pharmacy dispensing data 2012. Source:  
3       DEA Distributors Conference, October 2013."

4                   Do you see that as the reference?

5           A       I see that.

6           Q       Okay. As far as Ohio pharmacies go,  
7       Acme Pharmacy was a pharmacy that you guys  
8       serviced out of the New Castle Distribution  
9       Center, right?

10          A       Can you say that again?

11          Q       Acme, A-C-M-E.

12          A       I'm sorry, I don't remember that.

13          Q       You don't remember Acme?

14          A       No.

15          Q       Okay. Specifically, Acme in Summit  
16       County, does that ring a bell at all?

17          A       No. I'm sorry.

18          Q       Okay. That's fair. That's fine.

19                   How about Summit Pain Specialists, do  
20       you recall hearing them, that name?

21          A       No, I don't.

22          Q       Okay. Were you ever made aware that in  
23       2010, Summit Pain Specialists reached out to  
24       McKesson for assistance in opening up its own

1 pharmacy?

2 A No, I was not aware of that.

3 Q Okay. I'm handing you what I'm marking  
4 as Exhibit 33, 1.1896.

5 (Snider Exhibit No. 33 was marked  
6 for identification.)

7 BY MR. BOGLE:

8 Q I want to start with the e-mail that  
9 starts on page .4 at the bottom, from Becky Suglio  
10 to a Kim Diemand, October 18, 2010.

11 Do you see that e-mail at the very  
12 bottom?

13 A Yes.

14 Q Okay. It says -- in the second  
15 sentence, it says: "I am the administrator of  
16 Summit Pain Specialists, and I'm considering  
17 putting some type of pharmacy within the pain  
18 center. The physicians write for approximately  
19 500 scripts per day, 3,000 per week."

20 And skipping a sentence, it says: "With  
21 this type of volume and professionalism and  
22 respect of this practice, I am certain that a  
23 pharmacy that would just serve their patients  
24 would be profitable for all parties."

1                   And skipping a sentence thereafter, it  
2       says: "I think this would be an opportunity for  
3       McKesson to get involved in some type of  
4       ownership/partnership with the physicians and  
5       agree to put forth the meds until the pharmacy has  
6       cash flow 45 to 60 days out. What are your  
7       thoughts?"

8                   Do you see that e-mail?

9           A        I see that e-mail, yeah.

10          Q        Okay. And then going up, there's a  
11       response from Kim Diemand, November 2nd, 2010,  
12       that copies a few more people within McKesson.

13                   The second sentence she says: "This is  
14       a pain clinic with five doctors that write around  
15       3,000 scripts a week."

16                   Do you see that?

17                   MR. COLLINS: Objection. Lack of  
18       foundation, lack of firsthand knowledge.

19                   THE WITNESS: I see that.

20       BY MR. BOGLE:

21          Q        Okay. And then following up there,  
22       there's a response from Dave Gustin that starts at  
23       the bottom of .3 and carries over on November 2nd,  
24       2010.

1                   He says: "How many days a week would  
2       this thing operate? If you do the math, you would  
3       have 600 scripts a week per doctor. That's 100 a  
4       day in a six-day week and 120 per day per doctor  
5       in a five-day. How much face time would each  
6       patient be getting and does it pass the sniff test  
7       with the BOP?"

8                   What's BOP, do you know?

9           A       Board of Pharmacy, I would guess.

10          Q       Okay. "I am assuming they would be  
11       getting all licenses and that it would be all  
12       above board, but I'm curious as to how they handle  
13       that volume and extend the right time/care to each  
14       patient. I would also want to know how the DEA or  
15       BOP views the potential for a built-in conflict of  
16       interest by having a financial benefit for doctors  
17       and/or the owner of the pain clinic implied in  
18       writing more, not fewer, scripts. Do you know  
19       what I mean?"

20                   And he says: "We are not in a position  
21       to advise the customer, but certainly they will  
22       need to cross every T and dot every I."

23                   Do you see that e-mail?

24                   MR. COLLINS: Objection. Lack of

1 foundation. Lack of firsthand knowledge.

2 THE WITNESS: I see the e-mail.

3 BY MR. BOGLE:

4 Q Okay. And you would agree that a doctor  
5 writing a hundred scripts a day for controlled  
6 substances, that's a -- that's a high number,  
7 isn't it?

8 MR. COLLINS: Objection. Vague, form,  
9 calls for speculation.

10 THE WITNESS: I can't answer to this  
11 e-mail what happened. I wasn't involved.

12 BY MR. BOGLE:

13 Q I'm not asking you what happened. I'm  
14 asking a hundred scripts a day for controlled  
15 substances by one -- per doctor, do you think  
16 that's a high number?

17 A I'm not sure.

18 Q You don't know. Okay.

19 And then if you go to the first page of  
20 this e-mail chain, the top e-mail from John  
21 Kuczynski, November 4, 2010, third paragraph he  
22 says: "We are definitely going to have to do some  
23 serious diligence on this. Dave's point regarding  
24 the math not adding up to proper doctor/patient

1 relationship is a serious concern. Also of  
2 concern, physicians owning the pharmacy may not be  
3 against the law in Ohio but raises the questions  
4 of conflict of interest. The more you write, the  
5 more you make."

6 And it says: "One of their primary  
7 offices seems to be in Cuyahoga Falls, close to  
8 Klein's."

9 Klein's is a customer of New Castle as  
10 well, right?

11 A Oh, Yes.

12 Q Okay. "I believe it opened within the  
13 last year and has caused Klein's to request CSMP  
14 threshold increases due to scripts coming from the  
15 clinic."

16 Do you see that?

17 A I see that, yes.

18 Q Okay. And shortly after these  
19 communications went back and forth in late 2010,  
20 you were looped in to the concerns about Summit  
21 Pain Specialists and their prescribing practices,  
22 right?

23 MR. COLLINS: Objection.

24 BY MR. BOGLE:

1 Q Do you recall that?

2 MR. COLLINS: Objection. Foundation.

3 THE WITNESS: No.

4 BY MR. BOGLE:

5 Q Okay.

6 (Snider Exhibit No. 34 was marked  
7 for identification.)

8 BY MR. BOGLE:

9 Q Let's take a look at Exhibit 34, 1.1877.  
10 First of all, we're going to start from  
11 the earliest e-mail in time, but the top e-mail,  
12 which includes all of the e-mails before it, do  
13 you see it's from Michael Oriente to you, June 16,  
14 2011, right? At the top.

15 A Yes.

16 Q Okay. Let's go back and look at the  
17 e-mails that come before that. So it starts at  
18 the bottom of the first page from Steve Kravec,  
19 June 14, 2011. And the substance of the e-mail is  
20 on the second page.

21 It says there: "I just got off the  
22 phone with Dr. James Bressi and Becky Suglio from  
23 Summit Pain Specialists. The bulk of the  
24 conversation was over their ability to utilize



1       Access Health for contract management, but they  
2       are looking at taking their business model  
3       national."

4                   And the last paragraph says, to somebody  
5       named Chris: "As we discussed, Dr. Bressi is  
6       talking about taking his concept national and  
7       asked if we had people who helped to open new  
8       pharmacies. That's where I thought you would come  
9       in. He wants to get his pharmacy opened and then  
10      take it to his peers, whom he says represent 45  
11      percent of the pain market."

12                   Do you see that?

13           A       Yes.

14           Q       Okay. And then going up from there, the  
15      next e-mail is from you forwarding that e-mail  
16      below to Mr. Oriente, correct? You say "FYI."

17           A       Yes.

18           Q       Okay. Then he responds back to you with  
19      the e-mail from June 16, 2011, that says: "Some  
20      comments from patients. One not so good. His  
21      brother OD'd, and the last comment says how busy  
22      they are. I think we would need a closer physical  
23      visit."

24                   Do you see that?

1           A       Yes.

2           Q       Okay. So does this jog your memory at  
3 all about any discussions about Summit Pain  
4 Specialists?

5           A       No. I don't even know if we put them on  
6 as a customer, and I don't know Kim Diemand or  
7 Steve Kravec was a sales exec. I don't really  
8 know him very well.

9           Q       Okay. And you said Acme Pharmacy  
10 doesn't ring a bell for you either, huh?

11          A       No, I'm sorry.

12          Q       Okay.

13          A       We don't have them now, I know that.

14          Q       I agree with that.

15                   (Snider Exhibit No. 35 was marked  
16 for identification.)

17 BY MR. BOGLE:

18          Q       Well, let's take a look then at the next  
19 exhibit, 1.1870, which is also Exhibit 35.

20                   MR. COLLINS: What number?

21                   MR. BOGLE: Exhibit 35.

22                   MR. COLLINS: Thank you.

23 BY MR. BOGLE:

24          Q       Okay. And you see this is an e-mail

1 chain that pertains to Acme Pharmacy No. 30. Do  
2 you see that generally?

3 A I see "Topco" on here. It says "Acme"  
4 at the top. Yes.

5 Q Okay. So let's start with the e-mails  
6 on page .2 and work our way back towards the  
7 front.

8 The bottom e-mail on .2 says -- it's  
9 from Denise Joslyn to Joe Lahovich, December 5,  
10 2010, entitled "CSMP Acme." Do you see that?

11 A Yes, on December 5th?

12 Q Yep. And she says there: "Joe, I'm not  
13 sure who this should be sent to. Please let me  
14 know if this account needs an increase to the  
15 threshold below. Please provide a business reason  
16 for this request."

17 And it lists -- Acme Pharmacy No. 30,  
18 oxycodone, lists their current monthly threshold  
19 as 16,000. Do you see that?

20 A I see that.

21 Q Okay. And then the next e-mail up  
22 says -- from Joe, December 5, 2012, says: "Acme  
23 Pharmacy No. 30 is located in the local hospital  
24 systems medical building. The local hospitals'

1 facility is Akron General Wellness Center. Within  
2 the building is a large pain management practice,  
3 which the pharmacy serves its patients. Due to  
4 the practice, Acme Pharmacy No. 30 dispenses a  
5 large quantity of oxycodone and other pain  
6 medications."

7 Do you see that reference?

8 A I see that sentence.

9 Q Okay. And then there's a discussion  
10 with Denise Joslyn asking the pharmacy: "Based on  
11 the below, how much do we need to increase?"

12 MR. COLLINS: Objection.

13 BY MR. BOGLE:

14 Q Do you see that e-mail?

15 MR. COLLINS: Objection. Foundation.

16 THE WITNESS: I don't know what that is.  
17 I don't know Denise. It says "Joe." I'm not sure  
18 who this could be sent to.

19 BY MR. BOGLE:

20 Q All right. Well, let's take a look.  
21 The response from December 6, 2012, at the top of  
22 the e-mail from Joe Lahovich, his e-mail is noted  
23 to be Acme Stores, right? At the top of .2, the  
24 top e-mail.

1 MR. COLLINS: Objection.

2 THE WITNESS: AcmeStores.com.

3 MR. COLLINS: I'm sorry. Objection.

4 BY MR. BOGLE:

5 Q AcmeStores.com, right?

6 MR. COLLINS: Objection. Form, lack of  
7 foundation.

8 BY MR. BOGLE:

9 Q Do you see that?

10 A I see it on here, yes.

11 Q Okay. So -- and this is who she sent  
12 the initial e-mail to, so again this would  
13 indicate that the thresholds at least for Acme,  
14 when they were reaching a certain percentage, were  
15 being sent to them. They were at 88.13 percent  
16 when they were notified about their oxycodone  
17 threshold, the first e-mail we looked at, right?

18 MR. COLLINS: Objection. Total lack of  
19 foundation for this entire line of inquiry. Lack  
20 of firsthand knowledge. You can testify to it.  
21 This witness hasn't.

22 MR. BOGLE: He's on the whole -- he's  
23 copied on the whole e-mail chain.

24 MR. COLLINS: You haven't established

1       this witness has any firsthand knowledge of this.

2                   MR. BOGLE:   We're getting there, man.

3                   MR. COLLINS:   Well, establish it first  
4       and then we have a foundation.

5                   MR. BOGLE:   Well, we'll get there.

6                   THE WITNESS:   I'm sorry.

7       BY MR. BOGLE:

8               Q       Okay.   So my question was, the bottom  
9       e-mail I looked at with you first because you --  
10      you said before that customers don't get notified  
11      of their thresholds prior to reaching them.   Do  
12      you remember that testimony?

13              A       Yes.   I don't remember the context,  
14      though.

15              Q       Yeah.   Well, you see here the first  
16      e-mail that I looked at with you from Denise  
17      Joslyn to Joe Lahovich at Acme, she's literally  
18      listing out his monthly threshold and telling him  
19      exactly how much they've used for that month,  
20      right?

21              A       I have no recollection of ever seeing  
22      this e-mail.

23              Q       You see it now, don't you?

24              A       I see what Joe and Denise were talking

1       about, yes.

2               Q       Right. And what they're talking about  
3       are the specific thresholds for Acme Pharmacy for  
4       oxycodone, right?

5               MR. COLLINS: Objection. Lack of  
6       foundation.

7       BY MR. BOGLE:

8               Q       That's what the chart says, doesn't it?

9               MR. COLLINS: Object.

10              THE WITNESS: I cannot testify to that.

11      BY MR. BOGLE:

12              Q       You don't know what that says?

13              A       I can't testify what it says.

14              Q       Okay. All right. Let's go back up  
15       then, the top of this -- the top e-mail on this  
16       page where Joe says: "70,000 per oxycodone  
17       products." And he says: "Query from No. 30  
18       e-mailed. The warehouse says my oxycodone 30  
19       milligram limit is 4,000, not 8,000. My limit is  
20       16,000 total oxycodone. Of that 4,000 can be  
21       oxycodone, 30 milligrams. I need at least 10,000  
22       generic Percocet, 10/325 alone to make it a month.  
23       I figure a limit of 70,000 is needed to safely get  
24       through a month with all oxycodone products."

1 Do you see that?

2 A I see what this Joe said. I don't know  
3 him.

4 Q Yeah. And 70,000 doses a month for  
5 oxycodone is a huge number, isn't it?

6 A For Joe, it might be. I don't know. I  
7 can't testify to what Joe was doing there.

8 Q What about for the oxycodone that you  
9 historically distributed from New Castle, how does  
10 70,000 a month for oxycodone fit? Is that about  
11 right? Is that normal?

12 MR. COLLINS: Objection. The question  
13 is inherently vague.

14 BY MR. BOGLE:

15 Q I'm asking you if 70,000 seems high to  
16 you. This is what you do every day.

17 A I can't --

18 MR. COLLINS: Objection to the form.

19 THE WITNESS: I can't testify that this  
20 person got 70,000. I've never seen this e-mail  
21 before.

22 BY MR. BOGLE:

23 Q Do you think he didn't?

24 A I don't know.



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1           Q     Okay. Well, if you go back to  
2     Exhibit 1.1568, which is Exhibit 9. Keep that one  
3     out there with the 70,000 doses.

4           A     That what, keep --

5           Q     Keep that next to you, but I want you to  
6     pull this one out too, Exhibit 9.

7           A     Nine?

8           Q     Yeah.

9           MR. COLLINS: I think they should be in  
10    order.

11          THE WITNESS: Well, kind of.

12          MR. COLLINS: Let me get mine.

13    BY MR. BOGLE:

14          Q     You got Exhibit 9?

15          A     Yes.

16          Q     Okay. So this was the "Understand  
17    ARCOS" dated document talking about, on the first  
18    page, the 2012 DEA ARCOS average numbers per  
19    dosage units for various opioids, and if you look  
20    at oxycodone, the annual average per the DEA in  
21    2012 was 75,584 doses a year. Do you see that?

22          A     (The witness nods.)

23          Q     Yes?

24          A     Yes.

1                   Q     Okay. And what Acme is requesting here  
2     is just about that much per month. Right?

3                   MR. COLLINS: Objection. Lack of  
4     foundation.

5     BY MR. BOGLE:

6                   Q     They're asking for 70,000 doses a month,  
7     right?

8                   MR. COLLINS: Objection. Compound, lack  
9     of foundation, lack of firsthand knowledge.

10                  THE WITNESS: I'm not aware of anything  
11     except this e-mail right here. I can't testify to  
12     what he's asking for or if he's a hospital or  
13     anything else. I'm not --

14     BY MR. BOGLE:

15                  Q     Well, you see that it says that they're  
16     a pharmacy located in a medical building that's  
17     affiliated with a pain medication facility.  
18     That's what it says and what we just read, right?

19                  MR. COLLINS: Objection. Lack of  
20     foundation. You haven't established this witness  
21     had any knowledge of this.

22                  THE WITNESS: I'm not even familiar if  
23     we ever put this customer onboard. I'm sorry.

24     BY MR. BOGLE:

1           Q     Okay. Well, you're copied on this whole  
2     e-mail chain, right?

3           A     I don't remember.

4           Q     Look at the top e-mail from Denise  
5     Joslyn to Michael Oriente, copying you. Do you  
6     see that? The top e-mail of the document.

7           A     Yes.

8           Q     Okay. And you understand that when you  
9     get copied on something, you get included on the  
10    whole -- you get to see the whole chain before it,  
11    right?

12                   MR. COLLINS: Objection to the form.

13                   BY MR. BOGLE:

14           Q     That's how e-mails work, right?

15           A     I do know how e-mails work --

16           Q     Right.

17           A     -- but I don't remember this e-mail  
18    ever.

19           Q     Okay. That's fair.

20                   But my simple question to you was, since  
21    you were copied on this e-mail chain, you've seen  
22    this e-mail before. Whether you read it, I don't  
23    know. But 70,000 doses a month is what Acme is  
24    requesting, which is nearly the national average

1 per year for oxycodone for pharmacies at that  
2 point in time.

3 Do you see that reference at least?

4 MR. COLLINS: Object -- the question is  
5 objectionable on multiple grounds. It assumes  
6 that he read the e-mail, which is what your  
7 question said. You haven't established that.  
8 Lack of foundation. Lack of firsthand knowledge.

9 BY MR. BOGLE:

10 Q Okay. So do you see they were  
11 requesting 70,000 doses of oxycodone a month,  
12 compare -- and you compare that to the DEA  
13 national average annually for pharmacies, which  
14 was 75,584 a year was the average in 2012. Do you  
15 see that?

16 A I can't testify to this. I've never  
17 seen this before.

18 Q Okay. Well, you're on the e-mail chain,  
19 right? You're saying you never read this e-mail  
20 chain?

21 A I don't remember reading it, no.

22 Q Okay. But are you saying you didn't  
23 read it definitively?

24 MR. COLLINS: Objection. Argumentative.

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1 THE WITNESS: I'll testify that I don't  
2 remember reading it. I don't even remember the  
3 Acme.

4 BY MR. BOGLE:

5 Q Do you typically not read e-mails  
6 you're -- you're copied on?

7 MR. COLLINS: Objection. Argumentative.

8 THE WITNESS: I can't say typically.

9 BY MR. BOGLE:

10 Q Okay. But what you can say is that what  
11 they're asking for per month is just shy of the  
12 average per year for pharmacies in this country in  
13 2012, right? We can agree on that.

14 MR. COLLINS: Objection. Assumes facts  
15 not in evidence. It hasn't even been established.

16 MR. BOGLE: It's right here, Exhibit 9.  
17 Just talked about it.

18 MR. COLLINS: Because -- because it's in  
19 a document, it's established?

20 MR. BOGLE: Well, that's what -- I mean,  
21 if you dispute that's what the DEA says, I guess  
22 we can deal with that later, but --

23 MR. COLLINS: Objection.

24 BY MR. BOGLE:

1           Q     Do you see that in Exhibit 9? 75,584 a  
2     year was the average in 2012.

3           MR. COLLINS:  Objection.  The entire  
4     line of question lacks foundation.

5     BY MR. BOGLE:

6           Q     Do you see that?

7           A     Yes.

8           Q     Okay.  All right.  Well, let's see --  
9     let's see what you guys did do with this.

10          So, going back to Exhibit 1.1870, I'm  
11     going to the first page now, it's the second  
12     e-mail in the chain down from Michael Oriente to  
13     Denise Joslyn, copying you and Joe Lumpkin,  
14     December 6, 2012.

15          He says:  "Denise, submit a threshold  
16     change for a 25 percent increase.  A 70,000-dose  
17     threshold is more than most of our customers.  
18     This account will be under Joe Lumpkin out of New  
19     Castle.  He will have the final say.  I will  
20     approve a 25 percent for the month until Joe can  
21     get there for a visit for such a threshold review.  
22     We'll want the top five prescribers that are  
23     writing scripts that are being filled at this  
24     location and dispensing data minus any patient

1 info for the last three months for all  
2 oxycodone-based products."

3 Do you see that?

4 A I see that.

5 Q So on an e-mail you're copied on here,  
6 you can at least see that a 25 percent increase  
7 was approved without any further data being  
8 provided, right?

9 MR. COLLINS: Objection. Foundation.

10 THE WITNESS: I cannot answer to that.

11 BY MR. BOGLE:

12 Q Okay.

13 A I don't know.

14 Q Do you see any reference to any data  
15 that he's reviewed? In fact, he's asking for data  
16 after he's already approved it, right?

17 MR. COLLINS: Objection. Foundation,  
18 form.

19 THE WITNESS: I don't know that.

20 BY MR. BOGLE:

21 Q Do you see any indication that he says,  
22 I've reviewed data already to support this 25  
23 percent increase?

24 MR. COLLINS: Objection. Calls for

1 speculation, form, foundation.

2 BY MR. BOGLE:

3 Q If you see it in the e-mail, feel free  
4 to point it out to me.

5 A I can't respond to that. I don't know  
6 what he did.

7 Q Right. I'm asking in the e-mail does he  
8 reference that he's reviewed any data to support  
9 that increase?

10 A I don't know that.

11 Q You don't know if the e-mail says that  
12 one way or the other?

13 A Yes.

14 Q Okay.

15 (Snider Exhibit No. 36 was marked  
16 for identification.)

17 BY MR. BOGLE:

18 Q All right. Let's take a look at  
19 Exhibit 36, 1.1874.

20 All right. Here's another series of  
21 e-mails, this now from -- we're into -- from  
22 December now into January.

23 It's an e-mail from Denise Joslyn again  
24 to Joe Lahovich at Acme, January 11, 2013, saying:



1 "Please let me know if we need to make any  
2 changes. If you need an increase, please provide  
3 a business reason."

4 Again, similar chart except this time  
5 showing a monthly threshold of 35,000 for  
6 oxycodone. Do you see that?

7 MR. COLLINS: Objection. Foundation.

8 THE WITNESS: I see what Denise wrote,  
9 yes.

10 BY MR. BOGLE:

11 Q Okay. And you see that in the chart,  
12 right?

13 A I see it now.

14 Q And you see Joe's response in the e-mail  
15 above says: "Please increase the threshold to  
16 70,000 units for this product class. Their limit  
17 was 46,000 last month. They need a limit of  
18 70,000 to meet the needs of the patients of Summit  
19 Pain Management Practice in the pharmacy's medical  
20 building."

21 Do you see that?

22 A Yes, I see that.

23 Q And prior to today, do you have any  
24 awareness that Summit Pain Management was actually

1 located in the same building as Acme Pharmacy?

2 A No.

3 Q Were you aware that they were providing  
4 almost a hundred percent of the prescriptions for  
5 Acme Pharmacy that they were filling for  
6 controlled substances?

7 MR. COLLINS: Objection. Form,  
8 foundation.

9 THE WITNESS: No, I testified that I  
10 don't remember anything about Acme Pharmacy and  
11 wasn't on this e-mail.

12 BY MR. BOGLE:

13 Q Okay. So you don't know the  
14 relationship between the two entities at all. Is  
15 that your testimony?

16 A I do not remember.

17 Q Okay. Now, the increase to 70,000 doses  
18 for oxycodone in January 2013, that was approved,  
19 right?

20 MR. COLLINS: Object --

21 BY MR. BOGLE:

22 Q You know that.

23 MR. COLLINS: Objection. Assumes facts  
24 not in evidence.

1 THE WITNESS: I do not know that.

2 BY MR. BOGLE:

3 Q You don't know that?

4 MR. COLLINS: Mischaracterization of his  
5 prior testimony.

6 BY MR. BOGLE:

7 Q You don't know that your distribution  
8 center started shipping them out 70,000 doses a  
9 month of oxycodone --

10 MR. COLLINS: Objection.

11 BY MR. BOGLE:

12 Q -- starting in January 2013?

13 MR. COLLINS: Objection. Assumes facts  
14 not in evidence. Lack of foundation.

15 THE WITNESS: I testified that I did not  
16 remember this customer.

17 BY MR. BOGLE:

18 Q All right. Well, what we got produced  
19 to us in this case was the threshold history  
20 reports for all Summit and Cuyahoga pharmacies,  
21 and I'm going to hand you the one for Acme here.

22 (Snider Exhibit No. 37 was marked  
23 for identification.)

24 BY MR. BOGLE:

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1 Q It's Exhibit 37, also marked as 1.1907.

2 And you see here in the middle of this  
3 chart -- do you see where I'm at, TCR 1/14/13. Do  
4 you see that date?

5 A Yes.

6 Q Related to oxycodone?

7 A Yes --

8 Q Okay.

9 A -- I see the chart.

10 Q You see that's the same date as the  
11 e-mail we just looked at from Joe Lahovich where  
12 he asks for an increase from thirty-five to  
13 70,000, right?

14 A I can't testify what this is. I don't  
15 know Joe Lahovich, and I don't know what this  
16 chart is. I'm sorry.

17 Q Okay. Well, let's -- let's take a look  
18 at the chart and see. I've got some questions for  
19 you on it.

20 A Okay.

21 Q In that same column, it says "TCR  
22 1/14/13, 35K to 70K. JL 1/14/13, Topco store,  
23 business growth new."

24 Do you see that?

1           A       Yes, I do.

2           Q       Okay. So you weren't aware that once  
3       this threshold increase was approved to 70,000  
4       doses for oxycodone, that your distribution center  
5       started giving them about that much every month?

6           MR. COLLINS: Objection. Assumes facts  
7       not in evidence, lack of foundation.

8           This witness has testified he has no  
9       idea what this is, and you're testifying to facts  
10      that aren't -- haven't been established.

11      BY MR. BOGLE:

12          Q       So you don't know when your distribution  
13      center sends out 70,000 doses a month to a  
14      customer for oxycodone? That can go on without  
15      you even knowing it?

16          MR. COLLINS: Objection. Argumentative.  
17      Form.

18      BY MR. BOGLE:

19          Q       I'm a little baffled by that, sir.

20          MR. COLLINS: Objection. Compound,  
21      form, argumentative. Closing argument.

22          THE WITNESS: Well, I --

23      BY MR. BOGLE:

24          Q       Is that your testimony?

1           A       Yes, I can understand what you're  
2       saying, but I don't know anything about this, and  
3       it's -- plus I don't know if you have the right  
4       account. It says Topco.

5           Q       They're one of the -- in the Topco  
6       Group.

7           A       Okay.

8           Q       Sir, this was provided to us. I can  
9       tell you -- if it's wrong, I guarantee you your  
10      counsel will establish it's wrong. It ain't  
11      wrong. Okay?

12                   This is Acme Pharmacy. This was  
13      provided to us from your counsel coming from  
14      McKesson's files.

15           A       I'm --

16                   MR. COLLINS: Objection.

17           BY MR. BOGLE:

18           Q       Okay. So my question to you, though,  
19      is -- because I just want to make sure I  
20      understand this.

21                   So a customer like Acme Pharmacy can get  
22      70,000 doses a month of oxycodone from your  
23      distribution center, and you don't even know it?

24                   MR. COLLINS: Objection.

1 BY MR. BOGLE:

2 Q Is that your testimony?

3 MR. COLLINS: Objection. I'm sorry, let  
4 me finish my objection, sir.

5 Objection. Assumes facts not in  
6 evidence. You haven't established that. This  
7 witness has testified over and over again he has  
8 no knowledge of that, and so this is just legal  
9 argument that's improper at a deposition.

10 Typically lawyers ask questions, witnesses provide  
11 testimony. Not the other way around.

12 MR. BOGLE: You're just kind of  
13 complaining now. You're not objecting.

14 MR. COLLINS: No, no, I am objecting. I  
15 mean, this is just total argument. It's not a  
16 question.

17 MR. BOGLE: No, it's not. It's not  
18 argument. It is a question.

19 BY MR. BOGLE:

20 Q Can that go on at your distribution  
21 center and you not know about it?

22 MR. COLLINS: Objection for all the  
23 reasons I just stated.

24 THE WITNESS: I don't remember this

1 account.

2 BY MR. BOGLE:

3 Q Right. So it obviously can go on and  
4 you not know about it, right?

5 MR. COLLINS: Objection.

6 Mischaracterization, argumentative, form.

7 BY MR. BOGLE:

8 Q Right?

9 A Can you repeat the question, please?

10 Q A customer like Acme Pharmacy can get  
11 70,000 doses a month of oxycodone from your  
12 distribution center and you not even know it,  
13 right?

14 A I don't remember that.

15 Q Right, that's my point.

16 A I don't know what this form is, and I  
17 wasn't on the e-mails. I testified to that.

18 (Snider Exhibit No. 38 was marked  
19 for identification.)

20 BY MR. BOGLE:

21 Q All right. Let's take a look at  
22 Exhibit 38, 1.1899.

23 You see here this is a regulatory  
24 investigative report from March 2nd, 2015, related



1 to Acme Fresh Markets Pharmacy No. 30.

2 Do you see that?

3 A Yes.

4 Q Okay. And in the "Detail" section  
5 there, the middle of that first paragraph, it  
6 says: "There is a pain management clinic, Summit  
7 Pain Specialists, located within Akron General  
8 Hospital medical building that the pharmacy is  
9 located in."

10 Again, that's news to you today, right?

11 A I testified I don't remember this  
12 account. I'm sorry.

13 Q Okay. Let's continue a few more  
14 sentences down. It says: "The majority of the  
15 prescriptions that are filled at the pharmacy are  
16 being written at Summit Pain Specialists. For the  
17 period of 7/1/14 to 10/28/14, 89 percent of the  
18 scripts filled by Acme 30 were from the pain  
19 clinic."

20 Do you see that?

21 MR. COLLINS: Objection. Foundation.

22 THE WITNESS: I see this -- this e-mail.  
23 I've never seen this before.

24 BY MR. BOGLE:

1           Q     This is a report created by Michael  
2     Oriente. That's what is indicated, right?

3           MR. COLLINS: Objection. Lack of  
4     foundation, lack of firsthand knowledge.

5     BY MR. BOGLE:

6           Q     Where it says "By"?

7           A     It says "By" --

8           MR. COLLINS: Objection. Form,  
9     foundation.

10    BY MR. BOGLE:

11           Q     And, you know, there were some questions  
12    raised about whether you guys actually did provide  
13    anything approaching 70,000 doses of oxycodone a  
14    month to this Acme Pharmacy, so let's take a look  
15    at that.

16                   On page .3, there is a purchase history  
17    review. So for -- if you see there, for  
18    oxycodone, it provides the number of doses that  
19    were provided to Acme Pharmacy over a period  
20    covering January 2014 to January 2015, right?

21           MR. COLLINS: Objection. Lack of  
22    foundation, lack of firsthand knowledge.

23           THE WITNESS: I do not know this chart.  
24    I see the dates and I see the doses, but I've

1 never seen this before.

2 BY MR. BOGLE:

3 Q So for June 2014, they got 69,504 doses.  
4 July 2014, 70,000 doses. August 2014, 69,900  
5 doses. September 2014, 69,900 doses. October  
6 2014, 67,300 doses. And November 2014, 67,600  
7 doses of oxycodone right here. That's what it  
8 says, right?

9 MR. COLLINS: Objection. Form,  
10 foundation, lack of firsthand knowledge.

11 THE WITNESS: I cannot and won't testify  
12 that that's what it says. I don't know.

13 BY MR. BOGLE:

14 Q You won't? You can't? You can't read  
15 that?

16 A I can read that, you know that. I can't  
17 testify that I understand that's what it is.

18 Q Okay. So you don't --

19 A I've never seen this before, this  
20 document.

21 Q Okay. So, again, your -- your  
22 distribution center services this area of Ohio,  
23 right?

24 A Yes.

1           Q     Okay. And so 70,000 doses of oxycodone  
2     can go out for multiple months or near it in 2014,  
3     and you don't even know, right?

4           MR. COLLINS: First of all, totally  
5     incorrect. Mischaracterization of his prior  
6     testimony.

7           MR. BOGLE: Well, if he knows, he can  
8     certainly correct me.

9           MR. COLLINS: I'm sorry. Let me finish  
10    my objection. Lack of foundation. Lack of  
11    firsthand knowledge. Mischaracterization. Object  
12    to the form. Otherwise, it's a fine question.

13          THE WITNESS: I don't know this account.  
14    I'm sorry. It was handled by the national  
15    accounts and the director of Regulatory Affairs,  
16    and they vetted it out.

17    BY MR. BOGLE:

18          Q     So if national accounts handles it, but  
19    you distribute it at your facility, you're hands  
20    off; is that right?

21          A     No.

22          Q     Okay. It's still your pills coming out  
23    of your facility, right?

24          A     I protect the supply chain. I do my job

1 on that, and it's very important to me that I do  
2 that. This was vetted out by someone else, and a  
3 director of Regulatory Affairs and his boss also,  
4 I see.

5 Q Are you aware that both Summit Pain  
6 Specialists and Acme No. 30 are both closed now?

7 A I'm not aware of that.

8 Q Not aware of that?

9 I hand you what I'm marking Exhibit 39,  
10 Exhibit 1.1895.

11 (Snider Exhibit No. 39 was marked  
12 for identification.)

13 BY MR. BOGLE:

14 Q This is an article from the Akron Beacon  
15 Journal/Ohio.com titled "Stow Pain Clinic closing  
16 after court upholds sexual imposition conviction  
17 against doctor accused of abusing patients,"  
18 posted August 11, 2016. Do you see that?

19 A I see that, yes.

20 Q Okay. The first sentence says: "Summit  
21 Pain Specialists in Stow is permanently closed  
22 Monday after years of wrangling over a sex abuse  
23 scandal involving a doctor there."

24 Do you see that?

1           A       I see that, yes.

2           Q       The third paragraph there says: "But  
3       the Ohio Supreme Court on August 3 upheld the  
4       Summit County Common Pleas Court conviction a  
5       former doctor James Bressi, who once co-owned the  
6       business with former doctor Robert Stephen  
7       Geiger."

8                   Do you see that?

9           A       No. Can you tell me where you are?  
10       I -- I was under what prompted the clinic to  
11       close.

12          Q       Right here, sir, if you look at my  
13       finger.

14          A       I'm sorry. You skipped around. I  
15       didn't see that.

16          Q       You want me to reread that for you?

17          A       Please.

18          Q       So you can follow along.

19          A       Please.

20          Q       That's fair.

21                   The portion I read says: "But the Ohio  
22       Supreme Court on August 3 upheld the Summit County  
23       Common Please Court conviction of former  
24       doctor James Bressi, who once co-owned the

1 business with former doctor Robert Stephen Geiger.  
2 The clinic's troubles started in 2012 when  
3 patients began calling Stow police reporting they  
4 had been sexually abused by Bressi inside the pain  
5 clinic. Stow police ultimately took reports from  
6 about 95 patients, including some in their 70s,  
7 who made similar claims according to a detective's  
8 court testimony."

9 Do you see that?

10 A I see that, yes.

11 Q And Dr. James Bressi, that's the same  
12 doctor that had reached out to McKesson to begin  
13 with about their assistance in opening the  
14 pharmacy that ultimately became Acme Pharmacy,  
15 right?

16 MR. COLLINS: Objection to form, lack --

17 BY MR. BOGLE:

18 Q Do you remember his name?

19 A No.

20 MR. COLLINS: Objection to the form,  
21 lack of foundation.

22 THE WITNESS: I don't.

23 BY MR. BOGLE:

24 Q You don't?

1           A       No.

2           Q       Okay. Do you have any reason to dispute  
3       that pretty quickly after Summit Pain Specialists  
4       closed so did Acme 30?

5                   MR. COLLINS: Objection. Foundation,  
6       form.

7                   THE WITNESS: I do not know or remember  
8       any of that. I'm sorry.

9       BY MR. BOGLE:

10          Q       Okay. Well, let's just close the loop  
11       here.

12                   (Snider Exhibit No. 40 was marked  
13                   for identification.)

14       BY MR. BOGLE:

15          Q       Exhibit 40, 1.1911. I pulled this off  
16       of Google before I came, pertaining to Acme  
17       Pharmacy in Stow, Ohio. Same address as we just  
18       saw in the investigative report.

19                   Do you see it's noted to be permanently  
20       closed?

21                   MR. COLLINS: Objection. Foundation.

22                   THE WITNESS: If you say -- I don't see  
23       where it says that. Please point to it.

24       Permanently closed, yes.



1 BY MR. BOGLE:

2 Q Okay. But again, this is not a customer  
3 you ever even recall dealing with at all, right?

4 A I don't think I was in New Castle at the  
5 time. I was in Delran, New Jersey.

6 Q You weren't in New Castle at all from  
7 when you -- this account started getting serviced  
8 in 2012 to 2016 when that -- it closed?

9 A I was there in 2012, yes.

10 Q Okay. For what period of time were you  
11 not at New Castle then?

12 A '14 and '15 or '15, '16. I don't  
13 remember.

14 Q Who was running New Castle while you  
15 were gone?

16 A Andrew Moore, the VP/GM.

17 Q Andrew Moore?

18 A Yes.

19 Q Okay. Did you have any communications  
20 concerning New Castle during that time period that  
21 you were in Delran?

22 A Not too many.

23 Q Okay. There are many Giant Eagle  
24 Pharmacies that -- in Summit and Cuyahoga County

1       that New Castle supplies opioids to, correct?

2           A       Supplied. We don't have them any  
3       longer.

4           Q       Okay. When did you stop?

5           A       About a year ago -- less than a year  
6       ago.

7           Q       Okay. Do you know why you stopped  
8       providing to them out of New Castle?

9           A       They got another wholesaler.

10          Q       Okay. Who?

11          A       Cardinal.

12          Q       Okay. All right. So prior to losing  
13       that business, you said about a year ago, that was  
14       one of the larger customers you had in Summit and  
15       Cuyahoga counties, right?

16          A       Yes.

17                   MR. COLLINS: Are we done with these?

18                   MR. BOGLE: Yeah.

19       BY MR. BOGLE:

20          Q       We talked about earlier in the  
21       deposition that documentation is required to  
22       establish claims of business growth when you're  
23       reviewing a threshold increase, right?

24          A       Yes, we did.

1           Q     As a general principle, that's what's  
2     required, right?

3           A     We talked about that, yes.

4           Q     That wasn't historically done for Giant  
5     Eagle Pharmacies at Summit and Cuyahoga County,  
6     though, was it?

7           A     I don't know that. I know that was  
8     handled by national accounts, and it depends on  
9     the time period. But national accounts and DRAs  
10    handled Giant Eagle.

11          Q     Okay. So if -- if the drugs were coming  
12    out of your distribution center, and you believe  
13    that anyone handling national accounts wasn't  
14    complying with the Controlled Substances  
15    Monitoring Program, you think you had an  
16    obligation to say something about that?

17               MR. COLLINS: Objection. Calls for a  
18    legal conclusion.

19               THE WITNESS: If I knew wrongdoing was  
20    happening, I would report it to McKesson or my  
21    boss.

22    BY MR. BOGLE:

23          Q     All right.

24               (Snider Exhibit No. 41 was marked

1 for identification.)

2 BY MR. BOGLE:

3 Q We're going to look at a few of the  
4 Giant Eagle stores in Summit and Cuyahoga County  
5 here. I hand you 1.1840, Exhibit 41.

6 A Thank you.

7 Q So it's another one of the hard copy  
8 file productions. You see it's "Giant Eagle 4009"  
9 on the front page, right?

10 A Yes.

11 Q Okay. And let's take a look at the  
12 e-mail starting on page .4.

13 The bottom e-mail there is an e-mail  
14 from Dave Gustin, May 28, 2008, to several  
15 individuals, including you.

16 Do you see that?

17 A Yes.

18 Q Regarding New Castle CSMP Report, 75  
19 percent plus, 5/28/08.

20 And Mr. Gustin there says: "Rex, I  
21 await your input. I can bump it if you agree to a  
22 small bump."

23 Do you see that there?

24 A Yes.

1           Q     Do you understand he's agreeing to --  
2     he's talking about bumping up thresholds, right?

3           MR. COLLINS:   Objection.   Form.  
4     Speculation.

5           THE WITNESS:   I don't know that, but I  
6     could guess.

7     BY MR. BOGLE:

8           Q     Okay.   No, we can keep going.   I think  
9     it establishes it going forward.

10           First of all -- well, hold on.   I'll  
11     strike that.

12           The next e-mail is a response from Rex  
13     Catton, May 28, 2008, where he says:   "Yes, please  
14     bump it up."

15           What was Rex Catton's job in May 2008 at  
16     McKesson?

17           A     He was vice president of national  
18     accounts.

19           Q     Okay.   On the sales side or regulatory  
20     side?

21           A     Sales side.

22           Q     Okay.   Then Dave Gustin responds to that  
23     e-mail and says:   "The list, by the way, is a long  
24     one.   I need a reason to go in and bump all

1       these -- all those stores' thresholds. They are  
2       all purchasing at well past their historic trends  
3       or they would not be on the report."

4                   Do you know what report is being  
5       referenced here? The CSMP report?

6           A       I don't know the specific one.

7           Q       Okay. And it's embedded there in the  
8       title "Threshold" -- "CSMP Threshold Warning  
9       Report." Are you familiar with that report?

10          A       Yes, I am.

11          Q       What is that report?

12          A       I think it -- it prints out -- I believe  
13       we discussed that, but it depends on -- when was  
14       this, please? 2008?

15          Q       Right.

16          A       It would print out -- I think it was  
17       when it was 85 percent or over the threshold.  
18       That's what I recall.

19          Q       Okay. All right. And if we keep going  
20       in the e-mail chain. I'm now on page .3.

21                   It's an e-mail from Diane Martin,  
22       September 22nd, 2008, to Dave Gustin, copying you  
23       and Rex Catton. It says: "Since these were  
24       bumped up without a TCR in late May, what is the

1 reason for the increase in dosages?"

2 Dave Gustin responds: "Reason: RNA  
3 reasonable request for a small increase per Rex  
4 Catton."

5 Do you see that?

6 A Yes.

7 Q Okay. Now, I think we talked about this  
8 before, but when a threshold increase is  
9 requested, a form has to be completed prior to  
10 that increase being approved, right?

11 A Yes.

12 Q Okay. But you see here in September,  
13 Diane Martin is talking about increases that were  
14 made in May without a TCR. And she's talking  
15 about that in September, right?

16 MR. COLLINS: Objection. Lack of  
17 foundation.

18 THE WITNESS: She doesn't see there's a  
19 TCR, yes.

20 BY MR. BOGLE:

21 Q Okay. Well, let's take a look then at  
22 page .2. And this is the threshold change form  
23 that's being referenced here for Giant Eagle 4009,  
24 hydrocodone. Now, it's dated May 28, 2008. Do

1       you see that?

2               A       Yes.

3               Q       And the reason for the change is noted  
4       "RNA reasonable request for a small increase per  
5       Rex Catton."

6                       Do you see that?

7               A       Yes.

8               Q       But that specific information, that  
9       language specifically wasn't provided until  
10      September 22nd by Dave Gustin, was it?

11                      MR. COLLINS:  Objection.

12      Mischaracterization of the document, assumes facts  
13      not in evidence.

14                      THE WITNESS:  I don't know when that was  
15      done.  I assume 5/28/08.  It also doesn't include  
16      the increase amount, which is unusual.

17      BY MR. BOGLE:

18               Q       Right, I was going to get to that next.  
19                      But if you look back at the e-mail from  
20      Dave Gustin, September 22nd, 2008, the very same  
21      language we just read from the form, identical, is  
22      what appears on the May 28, 2008 change form,  
23      right?

24                      MR. COLLINS:  Objection.



1 Mischaracterization.

2 THE WITNESS: Yes. And I don't know  
3 what -- retail national accounts, yes.

4 BY MR. BOGLE:

5 Q Yeah. And that seems consistent with  
6 what Diane Martin says in September 22nd, which is  
7 that this TCR was approved in May without a form,  
8 right?

9 A Yes.

10 Q And this information was added in  
11 September.

12 MR. COLLINS: Objection. That's a total  
13 mischaracterization, assumes facts not in  
14 evidence.

15 BY MR. BOGLE:

16 Q How do you explain the very same  
17 language, word for word, that first appears in a  
18 September e-mail being put in there in May?

19 MR. COLLINS: Object --

20 BY MR. BOGLE:

21 Q How did he get that right?

22 MR. COLLINS: Objecting to the form,  
23 compound, assumes facts not in evidence.

24 THE WITNESS: I can't explain why that

1 was in there exactly as they repeated it, but it  
2 may have been something they did before.

3 BY MR. BOGLE:

4 Q Okay. So you think that Diane was  
5 mistaken when she said that this request was  
6 actually approved in May without a TCR, right?

7 A Yeah. I don't know if she didn't find  
8 one or she was doing an audit of them or what.

9 Q And as you noted, the form that is  
10 attached here doesn't include even an increased  
11 amount, does it?

12 A No.

13 Q But it is noted to be approved by you,  
14 right?

15 A Yes.

16 Q And Dave Gustin.

17 A Yes.

18 Q And the pharmacy at issue here is Giant  
19 Eagle 4009, which is in Parma, Ohio, and you  
20 understand that's in Cuyahoga County?

21 A Yes.

22 Q Have you ever been to that pharmacy to  
23 visit there?

24 A No, I don't think so.

1           Q     Are you aware that there were actually  
2     multiple Giant Eagles approved at this very same  
3     time for threshold increases for various opioid  
4     products that include the same exact language on  
5     the same exact date? Are you aware of that?

6           A     No, I'm not.

7           Q     Okay.

8                     (Snider Exhibit No. 42 was marked  
9                     for identification.)

10          BY MR. BOGLE:

11           Q     1.1827, which is Exhibit 42.

12                     We put together a compilation of these.  
13     We're just going to look at a couple of them.

14                     MR. COLLINS: Do you have another copy  
15     or no?

16                     MR. BOGLE: Yeah, I think I actually do.

17                     MR. COLLINS: Thank you. 42?

18                     MR. BOGLE: Yeah.

19          BY MR. BOGLE:

20           Q     So I don't want to reread all of the  
21     e-mails, but you see the e-mails on page .15 and  
22     .16, that's the same e-mail chain we just  
23     reviewed.

24           A     It looks like the same one, yes.

1 Q Right. Okay.

2 And then if you see what follow -- or  
3 what's before that in this packet, there are --  
4 one, two, three -- four hydrocodone threshold  
5 increases from the same date with the same  
6 description as for the reason for the change, all  
7 without increased amounts.

8 Do you see those forms?

9 A Let me -- can I check --

10 Q Yeah, yeah. I don't want you to take my  
11 word for it.

12 A Yes. I don't know the amounts, though.  
13 It's not complete.

14 Q Right. None of them include amounts, do  
15 they?

16 A No, they don't.

17 Q But all of them show as approved by both  
18 you and Dave Gustin, don't they?

19 A They show me submitting it to Dave  
20 Gustin, yes, national account.

21 Q And his name appears there too under  
22 "Approved by," right?

23 A Yes.

24 Q Okay. All dated May 28, '08, and all go

1 back to the same e-mail chain from September where  
2 Diane Martin is telling everyone that threshold  
3 change request forms weren't actually completed in  
4 May, right?

5 MR. COLLINS: Objection.  
6 Mischaracterization, assumes facts not in  
7 evidence.

8 THE WITNESS: I can't testify that they  
9 all did. You have included this, but I don't have  
10 the list.

11 BY MR. BOGLE:

12 Q And they all include for the reason for  
13 the change the same exact language that was first  
14 introduced in the e-mail chain on September 22nd,  
15 2008, correct?

16 MR. COLLINS: Objection. Foundation,  
17 form.

18 THE WITNESS: They include that, but  
19 like I say, I don't know if it wasn't included on  
20 5/28.

21 BY MR. BOGLE:

22 Q You're supposed to list the actual  
23 increased amount on the threshold --

24 A Yes.

1 Q -- change request form, right?

2 A Yes.

3 Q Okay. And reasonable request for a  
4 small increase, is that documented proof of a  
5 legitimate business reason?

6 A I don't think that's a good enough  
7 reason. I don't know what the DRA vetted out on  
8 that.

9 Q Oh, I'm sorry. One more thing on that  
10 compilation I just gave you, and you can take  
11 whatever time you need to look at this.

12 But all the pharmacies listed here,  
13 we'll get there one by one, page .2, Middleburg  
14 Heights, that's in Cuyahoga County, right?

15 MR. COLLINS: Give him a second.

16 MR. BOGLE: Sure.

17 THE WITNESS: Yeah, I believe that's  
18 south of Cleveland.

19 BY MR. BOGLE:

20 Q Okay. Page .6, Garfield Heights, that's  
21 Cuyahoga County, right?

22 A Yes.

23 Q Page .10, Cuyahoga Falls, Cuyahoga  
24 County as well, right?

1 A No.

2 Q No?

3 A That's Summit County.

4 Q Summit, you're right. You're right.

5 Fair clarification. Thank you. Summit County.

6 .14, this pharmacy is in Cleveland,

7 Ohio, right?

8 A Yes, at Lorraine Road.

9 Q Okay. All right. We're done with that.

10 MR. COLLINS: When would be a good time  
11 to take a break?

12 MR. BOGLE: It's fine now. Yeah, if he  
13 needs it, that's fine.

14 THE VIDEOGRAPHER: The time is 3:56 p.m.  
15 We're going off the record.

16 (Recess.)

17 THE VIDEOGRAPHER: The time is 4:08 p.m.  
18 We're back on the record.

19 BY MR. BOGLE:

20 Q Okay, Mr. Snider, we had stopped --  
21 broken after talking about some of the Giant Eagle  
22 Pharmacies, and I want to talk about a couple more  
23 of those from Summit and Cuyahoga County.

24 (Snider Exhibit No. 43 was marked

1 for identification.)

2 BY MR. BOGLE:

3 Q I'm going to hand you what's marked as  
4 1.1811, Exhibit 43.

5 Okay. This is a file pertaining to  
6 Giant Eagle 0357. Do you see that?

7 A Yes.

8 Q Okay. All right. If you can go to  
9 page .2, do you see there's a threshold change  
10 form for Giant Eagle 0357 from Parma, Ohio? Do  
11 you see that?

12 A Yes.

13 Q That's in Cuyahoga County, right?

14 A Yes.

15 Q Okay. Requested on July 17, 2008. Do  
16 you see that date?

17 A Yes.

18 Q And the request is for a 20 percent  
19 increase of the hydrocodone thresholds for that  
20 pharmacy, right?

21 A Yes.

22 Q Okay. Now, the current threshold is not  
23 actually noted here at all, is it?

24 A No.



1           Q     Okay. And the reason for change that is  
2     noted, it says: "This store volume is up over 55  
3     percent with additional scripts for hydrocodone."

4                     Do you see that?

5           A     Yes.

6           Q     Okay. And this was noted -- under  
7     "Approved by," there's your signature, dated  
8     7/18/08, right?

9           A     Yes.

10          Q     Okay. In this file for this Giant Eagle  
11     Pharmacy, I did not see any prescription data  
12     associated with this or any other threshold change  
13     for this store in this packet. I mean, feel free  
14     to look. Do you see any -- any data, purchase  
15     data that's designated?

16          A     Let me check. (Peruses document.)

17                     No, I don't see it in this packet.

18          Q     Okay. And if you go to .5, which is  
19     another threshold change form for the same store,  
20     dated October 2nd, 2008, do you see that?

21          A     October 7th, was it? Oh, I see that  
22     it's 2. Yeah, okay.

23          Q     Yeah. Your signature is the 7th, we'll  
24     get there, but the form is dated October 2nd,

1 right?

2 A Yes.

3 Q Okay. And so this is some, less than,  
4 three months after the prior request for a  
5 hydrocodone increase was requested and approved,  
6 right?

7 A I believe so, yes.

8 Q Right. Let me --

9 A I actually remember that, yeah.

10 Q So this again is for hydrocodone  
11 requesting a 10 percent increase for this store,  
12 right?

13 A In Parma, yes.

14 Q Right. And again, there's no current  
15 threshold listed here either, is there?

16 A No.

17 Q Okay. It is noted to be a permanent  
18 change request, right? I'm right here if it  
19 helps.

20 A Yeah, thank you. Yes.

21 Q Okay. And the reason for change noted  
22 there is "Per Donald M. -- I don't know if it's  
23 Casar or Sasar (phonetic), I'm not sure how you  
24 say that, but "RPH manager, quality assurance and

1 compliance." "Please increase due to the business  
2 has increased substantially over the last few  
3 months."

4 Do you see that?

5 A Yes.

6 Q Okay.

7 A It's their security manager.

8 Q All right. And so, again, for this  
9 request, there's no dispensing data in this  
10 packet, right?

11 MR. COLLINS: Objection.  
12 Mischaracterization.

13 THE WITNESS: I wouldn't see that.

14 BY MR. BOGLE:

15 Q Okay. Do you see that in this packet?

16 A No. No.

17 Q Okay. And -- well, let me ask you this:  
18 For Giant Eagle specifically, and during this time  
19 period, 2008 time period, for a larger pharmacy  
20 like that, would you not require them to produce  
21 dispensing data to support their request?

22 A I would not.

23 Q You would not? Okay.

24 A No, the director of Regulatory Affairs

1 would.

2 Q Okay. A fair clarification.

3 Do you know if it was policy within the  
4 company to request dispensing data for larger  
5 pharmacies like Giant Eagle when they made  
6 requests like this?

7 A I'm not sure what year, but I know at  
8 one point on the CSMP, they did ask for data.  
9 Previously, on Lifestyle, I think we asked for  
10 three months sales.

11 Q Right. So either way you're asking for  
12 some sort of data to support this kind of change,  
13 right?

14 A The DRA is, yes.

15 Q All right.

16 (Snider Exhibit No. 44 was marked  
17 for identification.)

18 BY MR. BOGLE:

19 Q I'm going to hand you what's marked as  
20 1.1866, Exhibit 44 to your deposition.

21 Okay. This is a series of e-mails with  
22 some threshold change forms attached to them. So  
23 let's start by looking at the e-mails.

24 On the bottom of the first page there,

1       there's an e-mail from Sabrina Cook to Gregory  
2       Carlson, October 22nd, 2008.

3                   Do you see that?

4           A       Yes.

5           Q       She notes: "Below are stores that are  
6       at least 80 percent or above their thresholds.  
7       Please review and let me know if there is a  
8       business reason for an increase."

9                   Do you see that statement?

10          A       Yes.

11          Q       Okay. And this e-mail does include  
12       various thresholds for Giant Eagle Pharmacies for  
13       controlled substances including opioids, right?

14          A       I don't know what that is. It --

15          Q       Do you see where it lists monthly  
16       thresholds and has numbers below?

17          A       Yes. And then it's blank where it says  
18       "Threshold percent." Month-to-date accumulator, I  
19       don't really know what that is.

20          Q       Yeah, I'm just asking if the monthly  
21       threshold amounts were provided in this e-mail to  
22       Gregory Carlson at Giant Eagle.

23                   MR. COLLINS: Objection. Foundation.

24                   THE WITNESS: It says Sabrina -- it

1        says: "Below are other stores that are -- that  
2        are at least 80 percent or above." I don't know  
3        if Greg asked for it or not.

4        BY MR. BOGLE:

5                Q        Yeah, let me rephrase. I wasn't asking  
6        if he asked for it.

7                        I'm saying Sabrina Cook, that's what  
8        she's giving him are the monthly thresholds for  
9        these stores for opioid products and other  
10       controlled substances. Correct?

11                A        She's giving him these list of stores  
12       that are at least 80 percent or above.

13                Q        Right. And the monthly threshold is  
14       provided for each in the chart, right?

15                A        I would guess. I'm not sure what that  
16       is.

17                Q        Okay. We see where it says "Monthly  
18       threshold" and there's numbers below it, right?

19                A        Yes.

20                Q        Okay. There's a response from Gregory  
21       Carlson, October 22nd, 2008, saying: "We need to  
22       bump stores 4078, 6537, 2108, 4075, 6523, and 6513  
23       up by 20 percent due to high volume growth. These  
24       are all either new stores or stores running

1       promotions causing increased volume."

2                   Do you see that?

3           A       Yes.

4           Q       And then the very top e-mail is an

5       e-mail from Bill de Gutierrez-Mahoney saying:

6       "Done. Jim, Blaine, please file for your

7       records."

8                   Do you see that?

9           A       Yes.

10          Q       And Bill Mahoney was another DRA, right?

11          A       Yes.

12          Q       And if you look, the -- look at a couple

13       of these, there's actually the threshold change

14       forms attached to the e-mails here, they're being

15       discussed.

16                   So, for example, on page .3, on that

17       same day, October 22, 2008, where the request is

18       made by Giant Eagle, you see a 20 percent increase

19       amount request for 9193, which is hydrocodone,

20       right?

21          A       Yes.

22          Q       Okay. And this is from Groveport, Ohio.

23       Do you know where that's at?

24          A       I think it's by the river.

1 Q Okay. In which county, do you know?

2 A No, I don't.

3 Q You don't know. Okay.

4 You see here the reason for change is  
5 basically just copied from the e-mail that Gregory  
6 Carlson sent. It says: "Per Gregory Carlson,  
7 Director of Pharmacy Sourcing," and it gives his  
8 number, "Please increase due to running promotions  
9 causing increased volume." Right?

10 MR. COLLINS: Objection. Form.

11 BY MR. BOGLE:

12 Q Is that what it states?

13 A Can you restate that, please?

14 Q Yeah.

15 So the reason for change noted in this  
16 form is, "Per Gregory Carlson, Director of  
17 Pharmacy Sourcing: Please increase due to running  
18 promotions causing increased volume?"

19 That's the reason stated on the actual  
20 form. Right?

21 A Yes.

22 Q Okay. And again, in this packet of  
23 threshold change forms, there's no dispensing data  
24 attached, is there?



1 MR. COLLINS: Objection. Form.

2 THE WITNESS: And I -- what year is  
3 this, please?

4 BY MR. BOGLE:

5 Q 2008.

6 A I don't know if we asked for that in  
7 2008. That was Lifestyle.

8 Q October 2008, you think was Lifestyle?

9 A It may have been. I don't remember.

10 Q Okay. So if it was under the Lifestyle  
11 Drug Monitoring Program, you wouldn't have asked  
12 for dispensing data at all. Is that's what you're  
13 saying?

14 A I wouldn't have asked for national  
15 account dispensing data at any time. That was  
16 handled by the director of Regulatory Affairs and  
17 Bill de Gutierrez-Mahoney. But he says he  
18 attaches them, but I'm not sure if this was what  
19 was attached. If it was, it wasn't completed.

20 Q Okay. So -- yeah, and again, I'm just  
21 giving you what was produced to us. This -- this  
22 e-mail and attachments to the e-mail, these  
23 threshold change forms, you would agree with me  
24 there is no dispensing data included in here for

1 any of these stores, right?

2 A I don't normally get that ever.

3 Q I'm not asking if you get it. I'm  
4 asking, is it attached to this e-mail chain?

5 A No.

6 Q Do you see it?

7 A I don't see it here.

8 Q Okay. All right. And -- strike that.  
9 Do you see there are multiple other --  
10 actually, we'll go through a couple more.

11 There is one on .5 asking for a 20  
12 percent increase for a Giant Eagle in Berea, Ohio.  
13 Do you see that?

14 A Berea.

15 Q Berea. Okay. What county is that in?

16 A That's Cuyahoga.

17 Q And that's for a 20 percent increase for  
18 hydrocodone, right?

19 A Yes. That has a lot of population area.

20 Q Okay. And again, the same reason for  
21 change is provided there as was in the last  
22 threshold change form, right?

23 A Yes.

24 Q Okay. Is there any indication here of

1 Giant Eagle providing you, McKesson, with the  
2 actual promotion they were even running that was  
3 causing this increased volume?

4 A I wouldn't know that.

5 Q Right. I'm asking, is it -- do you see  
6 that anywhere in the packet of information or the  
7 e-mails?

8 A You haven't included it in this packet.  
9 I don't see anything.

10 Q I haven't -- I have included what was  
11 given to us.

12 A Okay.

13 Q Okay. So --

14 A Then -- then you or us haven't included  
15 that.

16 Q Do you have any independent recollection  
17 that that information was even provided for these  
18 change requests?

19 A No, I don't. I don't.

20 Q Okay. I'm going to hand you what I'm  
21 marking as 1.1777, also Exhibit 45 to your  
22 deposition.

23 (Snider Exhibit No. 45 was marked  
24 for identification.)

1 BY MR. BOGLE:

2 Q Do you see this file pertains to Giant  
3 Eagle 0465? Do you see on the first page?

4 A Yes.

5 Q Okay. And if you look, there's some  
6 threshold change requests attached here.

7 First of all, if you can go to page .10.  
8 Do you see this is a threshold change request made  
9 May 28, 2008, for a Giant Eagle in Brook Park,  
10 Ohio?

11 A Yes.

12 Q Okay. And that's in Cuyahoga County,  
13 right?

14 A Yes.

15 Q Okay. And this is another one of those  
16 stores that in May 2008 had their thresholds  
17 increased for hydrocodone, the reason being  
18 "Reasonable request for a small increase," per Rex  
19 Catton. Do you see that?

20 A Yes. I think that's the same date.

21 Q Yeah, it is.

22 All right. Let's go a couple of months  
23 later for the same pharmacy. I'm on page .2.  
24 This is a threshold change form for hydrocodone

1 from July 31, '08, right?

2 A What was the other one? I'm sorry, I  
3 forgot.

4 Q May 28, '08.

5 A Thank you.

6 Q This is July 31 on this one, '08, right?

7 A Yes.

8 Q Okay. Again, requesting an increase for  
9 hydrocodone, this time by 5 percent, right?

10 A Yes.

11 Q And the noted reason for change is:  
12 "Threshold adjustment is being requested due to  
13 high growth rate. Please increase by 5 percent."

14 Do you see that reference?

15 A Yes, I do.

16 Q Okay. And this was noted -- signed by  
17 you, August 1, 2008, right?

18 A It was, yes.

19 Q So in the packet of information for this  
20 pharmacy, do you see any dispensing data that  
21 would support this request?

22 A I never see that. It's a national  
23 account. They do the vetting.

24 Q I'm asking whether you see it in this

1 packet.

2 A I -- no.

3 Q Okay. So let's fast-forward to the same  
4 pharmacy to October 2nd, 2008, page .13.

5 Are you there?

6 A Yes.

7 Q Okay. This is a threshold change  
8 request dated October 2nd, 2008, for the same  
9 Giant Eagle Pharmacy, right?

10 A Yes.

11 Q Also for hydrocodone, this time to  
12 increase by 35 percent, right?

13 A Yes.

14 Q Okay. And the reason for the change is  
15 noted per Gregory Carlson, Director of Pharmacy  
16 Sourcing: "Please increase due to volume growth."  
17 Right?

18 A Yes.

19 Q And this was sent -- signed and sent by  
20 you, October 7, 2008, correct?

21 A Yes, but sent -- I -- I don't know if I  
22 sent this to Regulatory or they sent it to me.  
23 I'm not sure which.

24 Q Okay. Fair enough.

1                   Again, no dispensing data attached to  
2                   support the volume growth?

3                   A        I -- I would not and do not see that.

4                   Q        Okay. Let's go to page .18.

5                               So this is a couple of weeks later,  
6                   October 23rd, 2008. There's an e-mail from  
7                   Sabrina Cook at the bottom of this page to Gregory  
8                   Carlson saying: "Below are stores that are above  
9                   80 percent of their thresholds. The thresholds  
10                  will be reset in six business days. Let me know  
11                  if there is a business reason for the increase --  
12                  for an increase."

13                               Gregory Carlson responds the same day  
14                  saying: "Go ahead and bump 482, 1475 and 465 due  
15                  to increased volume. I would say 20 percent for  
16                  each."

17                               Do you see those references?

18                  A        I do.

19                  Q        Okay. And if you go to page .16, you  
20                  see there there's the threshold change request for  
21                  this store that corresponds to that e-mail  
22                  requesting a 20 percent increase for hydrocodone,  
23                  right?

24                               MR. COLLINS: Objection. Foundation.

1 THE WITNESS: Yes, it's the one that  
2 says per Greg Carlson with his phone number.

3 BY MR. BOGLE:

4 Q Right. And this relates to the e-mail  
5 we just looked at, October 23, 2008, where he  
6 makes the request for multiple stores, including  
7 465, to get a 20 percent increase for hydrocodone,  
8 right?

9 A I would guess that, yes.

10 Q That's the next day, right?

11 A Well, I would -- your answer is I would  
12 guess that.

13 Q Okay. And it's the same reason for  
14 change provided that he provides in the e-mail,  
15 volume growth, right?

16 A I'm sorry. Per -- per Gregory Carlson:  
17 "Please increase due to volume growth." Yeah, it  
18 has the phone number and everything on it too. I  
19 don't know why that's different, but...

20 Q And that's for the same Giant Eagle  
21 Pharmacy at Brook Park, Ohio, that we looked at  
22 for the last few change requests, right?

23 A Yes.

24 (Snider Exhibit No. 46 was marked



1 for identification.)

2 BY MR. BOGLE:

3 Q Okay. I'm going to hand you Exhibit 46,  
4 which is Exhibit 1.1816.

5 It's a file for Giant Eagle 0230. Do  
6 you see that?

7 A Yes.

8 Q Okay. If you go to .2 -- actually, I'm  
9 sorry, let's go to .4 first. My apologies.

10 There is an e-mail there in the middle  
11 of the page from Sabrina Cook to the same two  
12 individuals at Giant Eagle on November 20, 2008,  
13 saying: "Please see below for the stores that hit  
14 above 80 percent of their thresholds. If there's  
15 a business reason for an increase, please let us  
16 know."

17 Do you see that? And there's a chart  
18 below with Giant Eagle 488 for oxycodone, Giant  
19 Eagle 230 for hydrocodone, and Giant Eagle 224 for  
20 oxycodone in that chart.

21 A Yes.

22 Q Gregory Carlson then responds the same  
23 day in the next e-mail above saying: "All need to  
24 be increased by 20 percent. These stores are all

1       experiencing high volume. 488 have significantly  
2       grown due to a remodel, and the other two are in  
3       Cleveland, which is a high growth market for us."

4                   Do you see that?

5           A       I see that.

6           Q       Did you have an understanding that in  
7       late 2008 that Cleveland was a high growth market  
8       for controlled substances for Giant Eagle?

9                   MR. COLLINS: Objection. Form.

10                  THE WITNESS: No, I didn't. I know --  
11       can you rephrase that? I apologize.

12       BY MR. BOGLE:

13           Q       Yeah. Did you know in late 2008 that  
14       Cleveland was a high growth market for Giant Eagle  
15       for controlled substances?

16           A       No, not for controlled substances, but I  
17       know their volume increased. Whereas a typical  
18       pharmacy might be eighty to 100,000, these guys  
19       were three to 400,000 and doing multiple scripts.  
20       It was a high density area. I do know that.

21           Q       Okay. So, in his e-mails indicated  
22       here, it was a -- what they called a high growth  
23       market, right?

24           A       That's what he says here.

1           Q     All right. And then if you see on  
2     page .2, here's the threshold increase form that  
3     corresponds with that request dated November 21,  
4     2008, for the Giant Eagle 230 in Cleveland, Ohio.  
5     Do you see that?

6           A     Yes.

7           Q     It's for a 20 percent increase for  
8     hydrocodone, right?

9           A     I'm sorry, I can't -- yes.

10          Q     And again, the same reason for change  
11     was given here that we've seen in the prior  
12     threshold change forms, which is volume growth,  
13     right?

14          A     Yes, with Greg's phone number.

15          Q     All right. And there's no -- again, in  
16     this packet of information for this pharmacy that  
17     we obtained, there is no dispensing data attached,  
18     is there?

19          A     I'm not privy to -- to any of that. I  
20     don't see it here at all.

21          Q     Okay. And your signature on this  
22     document appears on November 21, '08, right?

23          A     Yes.

24          Q     I'm going to hand you what I'm marking

1 Exhibit 47, also noted as 1.1839.

2 (Snider Exhibit No. 47 was marked  
3 for identification.)

4 BY MR. BOGLE:

5 Q This information relates to Giant Eagle  
6 4030. Do you see that?

7 A Yes.

8 Q Okay. And if you look here on page .4,  
9 there is an e-mail at the bottom of the page from  
10 Gregory Carlson to Telisca Lindsay, July 29, '09,  
11 where he says: "Telisca, please increase the  
12 following stores these percentages based on  
13 reasons listed" --

14 A Excuse me, hold on one second. Could  
15 you tell me where you're at?

16 Q Yeah.

17 A What page?

18 Q It says .4 on the very --

19 A Sorry. Thank you.

20 Q -- bottom. Yeah.

21 Let me know when you get there, and I'll  
22 reread it --

23 A I'm there.

24 Q -- so we'll be on the same page

1       literally.

2           A       I'm on it.

3           Q       Okay. So it says on this e-mail from  
4       July 29, 2009, from Gregory Carlson: "Please  
5       increase the following stores these percentages  
6       based on reasons listed. Thanks."

7                   And you see specifically as to the store  
8       this packet pertains to, Giant Eagle 4030, there's  
9       a request for a 10 percent increase for oxycodone,  
10      and the reason given is "volume up." Do you see  
11      that?

12          A       4030. Yes.

13          Q       Okay. And then if you go to the actual  
14      form, which is page .2, you see here's the form  
15      from July 29, 2009, for the Giant Eagle in  
16      Tallmadge, Ohio. Do you see that?

17          A       Yes.

18          Q       And that's in Summit County, right?

19          A       Yeah, I think it is. It's on the edge.  
20      I think so.

21          Q       All right. And you see the reason given  
22      here for the change is volume growth. Do you see  
23      that?

24          A       I'm sorry.

1           Q     I'm just looking at "Reason for  
2     requested change."

3           A     Oh, thank you. Yes, I see it now.

4           Q     Okay. And what's noted here, though, is  
5     a 20 percent increase for this store for  
6     oxycodone, right?

7           A     Yes.

8           Q     They only actually requested 10, though,  
9     right?

10                   MR. COLLINS: Objection. Foundation.

11                   THE WITNESS: Can you help me out?

12     BY MR. BOGLE:

13           Q     Yep. So if you go back to .5, the chart  
14     provided by Gregory Carlson, for Giant Eagle 4030,  
15     he's asking for a 10 percent increase for  
16     oxycodone. Do you see that in the middle of the  
17     chart?

18           A     It looks like it, yes.

19           Q     Okay. But on the threshold change form  
20     completed the same day and signed by you, there's  
21     a 20 percent increase approved, right? Which is  
22     also signed off on by Regulatory.

23                   MR. COLLINS: Objection. Form.

24                   THE WITNESS: Yes, Regulatory would have

1 vetted it out.

2 BY MR. BOGLE:

3 Q Right. But you see that there is a  
4 20 percent increase approved for oxycodone whereas  
5 they asked for 10?

6 MR. COLLINS: Objection. Foundation.

7 BY MR. BOGLE:

8 Q On the same day.

9 A I don't know all the information that  
10 went to vet that out by the director of Regulatory  
11 Affairs. I believe it was Dave Gustin.

12 Q Okay. But --

13 A It doesn't say that in the e-mail.

14 Q Yeah, but you see here that we just  
15 looked at the request being made for 10 percent  
16 and granted at 20 percent, right?

17 MR. COLLINS: Objection.

18 Mischaracterization, lacks foundation.

19 THE WITNESS: I see what they put in the  
20 e-mail, yes.

21 BY MR. BOGLE:

22 Q And you see what's in the threshold  
23 change form, right?

24 A Yes, I do.

1           Q     Okay. One says 10, the other says 20,  
2     right?

3           A     This e-mail says 10, the other says 20.  
4     I don't know what else was vetted out by Dave and  
5     with the customer.

6           Q     All right. I'm handing you what I'm  
7     marking as Exhibit 1.1817, which is also marked as  
8     Exhibit 48.

9                     (Snider Exhibit No. 48 was marked  
10                    for identification.)

11    BY MR. BOGLE:

12           Q     This packet pertains to Giant Eagle  
13     2029. Do you see that on the first page?

14           A     Yes.

15           Q     Okay. If you can go to page .7.  
16     Looking at the e-mail from -- sorry, e-mail from  
17     Sabrina Cook, the bottom e-mail on the page, to  
18     Gregory Carlson and Donald Casar, December 19,  
19     2008, where she says: "The below stores have hit  
20     above 80 percent. Please let me know if there is  
21     a business reason for an increase."

22                     Gregory Carlson responds the same day in  
23     the e-mail above: "All the hydrocodones need to  
24     be bumped by 25 percent." It says: "All due to



1 out-of-stock situation on the Vicodin from last  
2 month filling owes. Also bump the two with the  
3 oxycodone. 4012 had a recent acquisition, so  
4 their volume is way up, and 5863 is experiencing  
5 greater than average growth. Increase 4012 by  
6 25 percent and 5863 by 20 percent."

7 Do you see that?

8 A I see it.

9 Q Okay. And if you look, the form appears  
10 on page .2. This is the form for hydrocodone  
11 related to that request, and this pharmacy is  
12 located in Bedford, Ohio. Do you see that?

13 A Yes.

14 Q It's another Cuyahoga County pharmacy,  
15 right?

16 A Yes. It's where I bought my car.

17 Q Okay. And the request here is for the  
18 25 percent increase to hydrocodone, right?

19 A Yes.

20 Q Which was submitted by you December 19,  
21 2008, correct?

22 A Yes.

23 Q And again, in this packet of  
24 information, no dispensing data to support the

1 growth, right?

2 MR. COLLINS: Objection. Foundation.

3 THE WITNESS: I don't know what due  
4 diligence did -- they did with the RNA.

5 BY MR. BOGLE:

6 Q I'm just asking if in the packet of  
7 materials here we've got dispensing data.

8 A I don't see it in this packet, no.  
9 (Snider Exhibit No. 49 was marked  
10 for identification.)

11 BY MR. BOGLE:

12 Q All right. I'm going to hand you  
13 1.1841, which is marked as Exhibit 49.

14 Okay. Let's start on page .2 at the  
15 bottom. Do you see an e-mail from October 29,  
16 2010, from pharmacy team leader to Gregory  
17 Carlson, copying Michael Chappell, at the very  
18 bottom?

19 A Yes.

20 Q It says there: "Greg, just received our  
21 order from McKess, and we did not get the Endocet  
22 and Roxicet that we need desperately. We have  
23 increased our business, and with a pain management  
24 specialist in town and several terminal patients,

1 we are seeing a rise in these products. According  
2 to McKesson, we are limited to 9,900 tablets, and  
3 they recommend 12,000 units. We need to get these  
4 medications or lose our customers. Can anything  
5 be done?"

6 Do you see that e-mail?

7 A Yes, I see it.

8 Q Okay. And then the next e-mail up in  
9 the chain, there's an e-mail from Randy Heiser at  
10 Giant Eagle to a Jeff Wallace saying: "Jeff, we  
11 are currently evaluating pain management as a  
12 corporate business opportunity. Looking at the  
13 Cleveland marketplace to begin. Already in  
14 conversation with the Cleveland Clinic. Please  
15 give me a call this week to discuss."

16 Do you see that?

17 A Yes.

18 Q Did you know that around this time in  
19 2010 that Giant Eagle was looking at pain  
20 management clinics as a corporate business  
21 opportunity?

22 MR. COLLINS: Objection. Foundation.

23 THE WITNESS: I don't remember that.

24 BY MR. BOGLE:

1 Q Okay.

2 A That was 2010. I -- I do know Jeff  
3 Wallace. He was the account manager. So I don't  
4 remember this e-mail in particular.

5 Q Well, you see, though, the next e-mail  
6 up, Jeff does copy you on it.

7 A Yes.

8 Q So you would have seen this e-mail that  
9 I just read to you, right?

10 MR. COLLINS: Objection. Foundation.

11 THE WITNESS: He sends it back to me  
12 just saying, "I will call Randy," yes.

13 BY MR. BOGLE:

14 Q Right. So this is an e-mail, the one I  
15 just read to you about the pain management as  
16 being a corporate business opportunity for Giant  
17 Eagle, is one you would have received, right?

18 MR. COLLINS: Objection. Foundation.

19 THE WITNESS: I did not receive it. I  
20 was copied --

21 BY MR. BOGLE:

22 Q You didn't receive --

23 A I was copied on it.

24 Q Right. So when you're copied on it, you

1 get to see it, right?

2 MR. COLLINS: Objection. Lacks  
3 foundation.

4 THE WITNESS: Yes. And I just -- Jeff  
5 said, I'm going to call Randy on this, and so if I  
6 saw that, I don't recall specifically from 2010.

7 BY MR. BOGLE:

8 Q Okay. So do you recall any other  
9 discussions with Giant Eagle that -- about pain  
10 management clinics being a business opportunity  
11 for them?

12 A No. I try to make it clear that it's  
13 regarding the national accounts, they're vetted  
14 out by our national accounts folks and the  
15 directors of Regulatory Affairs. So I wouldn't  
16 have had that discussion at my level, no.

17 Q So if Giant Eagle was looking at pain  
18 management clinics as a business opportunity in  
19 the Cleveland market, even though that's a market  
20 that you service with your distribution center,  
21 you don't think you would be aware of that?

22 A I think I would be aware that it's been  
23 fully vetted by the director of Regulatory Affairs  
24 and our national accounts folks.

1           Q     So you would totally defer to them as to  
2     whether that was a business opportunity that  
3     McKesson should participate in. Is that fair?

4           MR. COLLINS: Objection.  
5     Mischaracterization. Foundation.

6           THE WITNESS: I would defer to their  
7     data and expertise, especially in the 2010 time  
8     frame, yes.

9     BY MR. BOGLE:

10          Q     Okay. But you don't recall being made  
11     aware of it around that time frame, though?

12          A     No.

13          Q     Other than being copied on that e-mail.

14          A     No. I know who Randy Heiser is and I  
15     know who Jeff Wallace is. And I -- my due  
16     diligence was to send it to two Regulatory people  
17     to make sure they're aware.

18          Q     Do you recall receiving correspondence  
19     in late 2013 regarding the subject of enhanced  
20     controlled substance monitoring by McKesson?

21          A     I do recall a change in 2013 to enhance  
22     it, yes.

23          Q     And you're aware that that change was  
24     prompted by renewed investigations by the

1 Department of Justice and DEA as to McKesson's  
2 practices, right?

3 MR. COLLINS: Objection. Foundation.

4 THE WITNESS: I don't remember that. I  
5 would have to see what the correspondence said. I  
6 don't remember that.

7 BY MR. BOGLE:

8 Q You do know that McKesson ultimately in  
9 2016 paid a \$150 million fine for violations of  
10 the Controlled Substances Act, right?

11 MR. COLLINS: Objection. Calls for a  
12 legal conclusion.

13 BY MR. BOGLE:

14 Q Do you know whether that occurred?

15 MR. COLLINS: I'm sorry. Lack of  
16 foundation. Form.

17 BY MR. BOGLE:

18 Q Do you know that?

19 A I heard it was a settlement with the  
20 DEA.

21 Q Okay. Do --

22 A And that's what I was told.

23 Q You weren't told how much?

24 A I was told it was --

1 Q For how much or for what for?

2 A I was told it was a settlement for  
3 \$150 million.

4 Q Okay. But you didn't -- you never asked  
5 what for?

6 A I'm sure I did.

7 Q Okay. Do you remember being told what  
8 it was for?

9 A Not the people that know, no.

10 Q Okay. I'm going to hand you --  
11 actually, strike that -- 1.1775, which I'm marking  
12 as Exhibit 50.

13 (Snider Exhibit No. 50 was marked  
14 for identification.)

15 BY MR. BOGLE:

16 Q Okay. And do you see here on the first  
17 page, there's an e-mail from 10/24/13 sent by Elie  
18 Rio, the subject being "Suspicious order  
19 monitoring awareness training."

20 Do you see that?

21 A Yes.

22 Q Okay. And if you go to the second page,  
23 required attendees, there's a list there, and in  
24 the second row names, you see -- you see you?



1           A       Yes.

2           Q       Okay. Do you recall attending this  
3 training?

4           A       I think it was a Webex.

5           Q       Okay.

6           A       And I don't recall specifically, but I'm  
7 sure I was there.

8           Q       Okay. Pertaining to this training, it's  
9 stated here: "Team" -- sent on behalf of Don  
10 Walker -- "As you are aware, we are in the process  
11 of implementing an enhanced suspicious order  
12 monitoring program. As a pharmaceutical  
13 distributor, McKesson has a responsibility to  
14 ensure pharmaceutical controlled substances are  
15 not diverted for nonmedical or other illegal  
16 purposes. To that end, we are further enhancing  
17 our controlled substances distribution policies  
18 and procedures."

19                   Do you see that?

20          A       Yes.

21          Q       Okay. McKesson's responsibility is to  
22 ensure that controlled substances are not diverted  
23 for nonmedical or other illegal purposes. You  
24 understand that McKesson has had that

1 responsibility since you've been running the  
2 distribution center in New Castle in 2000, right?

3 MR. COLLINS: Objection to the form.

4 THE WITNESS: I don't know if that was  
5 the language.

6 BY MR. BOGLE:

7 Q Okay. Do you have an understanding that  
8 that was the general responsibility from 2000 to  
9 present?

10 MR. COLLINS: Objection to the form.

11 THE WITNESS: I know the SOPs that  
12 McKesson had, and I tried to follow those.

13 BY MR. BOGLE:

14 Q Okay. So you have no opinion one way or  
15 the other whether that was McKesson's  
16 responsibility from 2000 to present while you were  
17 distribution center manager?

18 MR. COLLINS: Objection. Vague, form.

19 THE WITNESS: I don't know if those  
20 words were used.

21 BY MR. BOGLE:

22 Q Okay. Those words do not look familiar  
23 to you?

24 MR. COLLINS: Objection. Argumentative.

1 THE WITNESS: I can't answer that. I  
2 don't know.

3 BY MR. BOGLE:

4 Q Okay. So -- but after this enhanced  
5 suspicious order monitoring program was  
6 implemented, your distribution center began  
7 looking closer at its customers to see if any of  
8 their orders were out of the ordinary, right?

9 A I would say that the director of  
10 Regulatory Affairs took that over in 2013 because  
11 they could get the data, and it was more of a  
12 data-driven evolving of it. So they would get the  
13 script data, and they would do the searches for  
14 it.

15 Q Okay. You were involved in actually  
16 vetting the customers as well, though, right?

17 MR. COLLINS: Objection. Form.

18 BY MR. BOGLE:

19 Q In 2013.

20 MR. COLLINS: Objection. Form.

21 THE WITNESS: I don't remember if we  
22 still did Level I observations or the DRAs did it.

23 BY MR. BOGLE:

24 Q Okay. Let's take a look here then.

1 (Snider Exhibit No. 51 was marked  
2 for identification.)

3 BY MR. BOGLE:

4 Q I hand you Exhibit 51, also marked as  
5 1.1876.

6 Do you see here this is an e-mail from  
7 you, April 17, 2013, to several individuals? Do  
8 you see that?

9 A Yes.

10 Q Titled "Monthly Drug Usage Report,  
11 March." Do you see that there?

12 A Yes.

13 Q And you say: "John, Alex and Kim: We  
14 are going to set up CSMP visits for all of the  
15 accounts below. This is based on Joe Lumpkin's  
16 monthly reports attached. The first column  
17 represents higher than normal controls percent to  
18 total purchases. This would be ISMC over 25  
19 percent. The second column represents high  
20 oxycodone purchases to control purchases. This is  
21 over 25 percent. Based on this data, it's  
22 recommended that we do CSMP visits, with usage and  
23 questionnaires completed within the next 60 to 90  
24 days."

1 Do you see that?

2 A Yes.

3 Q Okay. So you have familiarity and  
4 experience looking at this ratio we talked about  
5 before, the controls percentage versus the overall  
6 percentage of prescriptions filled, right?

7 A This data was given to me, yes.

8 Q Right. And you actually describe the  
9 data in pretty good detail there in the e-mail I  
10 just read, right?

11 MR. COLLINS: Objection. Vague.

12 THE WITNESS: Joe sent this on April  
13 2013, so I scheduled due diligence to get the  
14 salesperson and Dale to do an observation or  
15 Level I at each one of these stores.

16 BY MR. BOGLE:

17 Q Okay. My question was simply --

18 A Sorry.

19 Q -- what I just read is your recitation  
20 which provides your understanding of what this  
21 data actually even means, right?

22 MR. COLLINS: Objection. Vague.

23 THE WITNESS: Recitation. Please, I  
24 don't -- can you rephrase that?

1 BY MR. BOGLE:

2 Q What I just read -- I'm trying to avoid  
3 reading the whole thing to you again -- but the  
4 highlighted information on the screen here for you  
5 is your specific understanding of what the ratios  
6 of controlled substance purchases to overall  
7 prescription purchases means in addition to  
8 OxyContin prescription of controls purchase data,  
9 which we talked about before.

10 A This shows, yes, that Joe Lumpkin sent  
11 me information, so I scheduled within 60 days a  
12 visit to all these stores.

13 Q And your discussion specifically of your  
14 understanding of what that data means, right?

15 MR. COLLINS: Objection. Form.

16 THE WITNESS: I do remember most of it,  
17 yes.

18 BY MR. BOGLE:

19 Q Okay. And I just want to look at a  
20 couple of these here.

21 So there's Best Care of Bridgeport, the  
22 second pharmacy listed, you see there at this  
23 point in time, March 2013, their controls  
24 percentage to overall prescription purchases was

1       53.97 percent.

2                   Do you see that?

3           A       Yes.

4           Q       Okay. You know that's very high, right?

5           A       I also know I don't know how many  
6       wholesalers they had or what they were buying from  
7       other pharmaceuticals. So that is higher than the  
8       norm, and I would have scheduled a visit there.

9           Q       Okay. And their -- their sales of  
10      oxycodone and hydrocodone had been high for years  
11      leading up to 2013. We looked at that earlier in  
12      the deposition. You recall that, don't you?

13                   MR. COLLINS: Object -- objection.  
14      Argumentative, compound, assumes facts not in  
15      evidence, lack of foundation.

16                   THE WITNESS: I don't remember when we  
17      required a -- you would have to refresh me on that  
18      again.

19      BY MR. BOGLE:

20           Q       You don't recall looking at all the  
21      pharmacy information on Best Care earlier today?

22           A       I meant I didn't require -- I didn't  
23      remember when we acquired Best Care.

24           Q       Okay.

1 A So --

2 Q You don't remember at all?

3 A I don't remember what year.

4 Q Okay. So, now the information about  
5 whether they had another distributor is  
6 information that you should have been aware of at  
7 this point in time, right?

8 MR. COLLINS: Objection.

9 BY MR. BOGLE:

10 Q In April 2013, you should have already  
11 known that, right?

12 MR. COLLINS: Objection. That's  
13 multiple questions. It's compound. Foundation.

14 THE WITNESS: No, I didn't have that  
15 information.

16 BY MR. BOGLE:

17 Q You didn't ask that?

18 A I may have --

19 MR. COLLINS: Objection. Vague.

20 THE WITNESS: I may have asked that, but  
21 it asks that in the Level I questionnaire, and  
22 that's not attached.

23 BY MR. BOGLE:

24 Q Okay. So -- but for Best Care, for



1 example, you wouldn't have already known when you  
2 completed this e-mail and attached the chart  
3 whether they had another distributor?

4 MR. COLLINS: Objection to the form.

5 THE WITNESS: No.

6 BY MR. BOGLE:

7 Q You wouldn't know that?

8 A No.

9 Q If you can go back to Exhibit 9 real  
10 quick. And keep this one I'm looking at with you  
11 out too, but...

12 A Eight.

13 MR. COLLINS: One more. Getting warmer.

14 THE WITNESS: 10.

15 MR. COLLINS: Getting warmer.

16 THE WITNESS: 11. Sorry. Where is 9?

17 It has to be behind there. I'm sorry. 15. I  
18 don't see 9 here. Let me look at that other --

19 BY MR. BOGLE:

20 Q You can follow me up on the screen if  
21 you want. It doesn't matter to me.

22 MR. COLLINS: It's got to be in this  
23 stack.

24 THE WITNESS: If it's okay with you, I

1 will go ahead and follow it here.

2 BY MR. BOGLE:

3 Q This is the last document I want to  
4 cover with you, so I'm just trying to -- so if you  
5 look -- if we can turn to the second page of the  
6 document, you see here -- you remember us talking  
7 earlier about this regional statistical norms  
8 chart?

9 A Yes.

10 Q Okay. And we talked about New Castle,  
11 the controlled substances to total prescription  
12 norm was 19 percent. Do you see that in the  
13 Northeast chart there?

14 A That's not New Castle. That's all the  
15 distribution centers combined.

16 Q Right. That applies to all of them in  
17 the Northeast. You understand that, right?

18 A Yes. Yes, I understand that.

19 Q And New Castle is included there, right?

20 A Yes. Yes.

21 Q Okay. So with a 19 percent controlled  
22 substances to overall prescription purchases norm,  
23 you would agree with me that Best Care of  
24 Bridgeport is multiple times over that number,

1 right, in 2013?

2 MR. COLLINS: Objection to form,  
3 foundation.

4 THE WITNESS: Yes, that number is higher  
5 than that.

6 BY MR. BOGLE:

7 Q Right. Significantly higher, right?

8 MR. COLLINS: Objection. Vague.

9 THE WITNESS: Two-and-a-quarter times.

10 BY MR. BOGLE:

11 Q Okay. And the last one I want to look  
12 at here is, for oxycodone for your region, 5  
13 percent is noted to be the regional norm of total  
14 prescriptions should be oxycodone. That's the  
15 regional norm. Do you see that?

16 MR. COLLINS: Objection. Lack of  
17 foundation.

18 THE WITNESS: These numbers are not  
19 guidelines for appropriate dispensing. They are  
20 simply national average derives from McKesson  
21 data. Yes, I see that.

22 BY MR. BOGLE:

23 Q You see where it says --

24 A Yeah.

1           Q     -- "Diversion can occur in purchases  
2     below these statistical norms"?

3           A     Yes.

4           Q     I think you missed that sentence.

5           A     Yes.

6           Q     Okay. And then so if you look here for  
7     Martella's, which is another pharmacy we just --  
8     we talked about earlier. Do you recall them?

9           A     Yes.

10          Q     Okay. So the oxy percentage of controls  
11     purchased, they have three different listings.  
12     They're between 37 and 57 percent for their three  
13     different DEA numbers. Do you see that on this  
14     chart from 1.1876?

15          A     Yeah, but I see -- I think the 19 refers  
16     to our controls percent of Rx purchase, doesn't  
17     it? Or am I wrong on that?

18          Q     19? I'm not sure I'm following you.

19          A     On the chart before.

20          Q     Can we go back to the other chart?

21                 MR. COLLINS: Yeah, we've got a copy of  
22     it. Hold on one second so he can see it.

23                 MR. BOGLE: We'll go back to the chart  
24     either way on the screen.

1 MR. COLLINS: Well, here, I'm going to  
2 hand it to him so he can look at it.

3 THE WITNESS: Thank you.

4 MR. BOGLE: Yeah, that's fine.

5 THE WITNESS: It says 19 percent of  
6 total Rx, so that refers to controls percent to Rx  
7 purchase line.

8 BY MR. BOGLE:

9 Q Right. And for oxycodone specifically,  
10 that's noted to be 5 percent. Do you see that for  
11 your region?

12 A You said percent of total Rx, yes.

13 Q Right. And so that's the same sort of  
14 calculations that are being run here in  
15 Exhibit 1.1876, and for Martella's, for their  
16 three different DEA numbers, they're coming out at  
17 between 37 and 57 percent, right?

18 A Correct.

19 MR. COLLINS: Object to the form.

20 MR. BOGLE: No further questions at this  
21 time.

22 MR. COLLINS: Why don't we take five  
23 minutes? I have some redirect.

24 THE VIDEOGRAPHER: The time is 4:59 p.m.

1 We're going off the record.

2 (Recess.)

3 THE VIDEOGRAPHER: The time is 5:12  
4 p.m., and we're back on the record.

5 REDIRECT EXAMINATION

6 BY MR. COLLINS:

7 Q Good afternoon, Mr. Snider.

8 A Good afternoon.

9 Q I'm Kevin Collins.

10 A Yes.

11 Q Where do you currently live?

12 A I currently live in -- south of  
13 Youngstown, Ohio -- Poland, Ohio.

14 Q Can you keep your voice up. I know it's  
15 been a long day. One more time?

16 A Poland, Ohio.

17 Q Okay. And what county is that?

18 A It's Mahoning County.

19 Q All right. And where is that county  
20 related to Summit and Cuyahoga counties?

21 A It's about three or four counties over  
22 east, directly east towards the PA line.

23 Q And how long have you resided there?

24 A Twenty -- 18 years.

1           Q     All right.  Where were you born and  
2     raised?

3           A     I was born in Coshocton, Ohio, and was  
4     raised in Cuyahoga Falls in Summit County.

5           Q     Where did you go to high school?

6           A     Cuyahoga Falls High School.

7           Q     What did you do after high school?

8           A     I went to Kent State University.

9           Q     And after Kent State, when did you  
10    graduate?

11          A     I graduated in -- I'm sorry -- 1978.  
12    Sorry.  That's a long time ago.

13          Q     Okay.  And when did you start working  
14    for McKesson?

15          A     I believe '79, '80.

16          Q     Can you briefly describe the positions  
17    you've held, starting from your earliest position  
18    at McKesson to your current position and where --  
19    where you were located.

20          A     Okay.  Sure.  Started in North Canton,  
21    Ohio.  I don't remember exactly how long, but I  
22    was first a trainee for a couple of months, and  
23    then a night supervisor after that couple of  
24    months of -- in there.  And then I did that for

1 quite a few years, and then I got promoted to  
2 operations manager there, and I'm not sure what  
3 year that was. It would be on -- probably on my  
4 resume, but I don't remember.

5 And then after that, we built a new  
6 facility in Cincinnati, Ohio. Fairfield, Ohio, to  
7 be exact. And I ran -- I went there as the  
8 operations manager. And I --

9 Q What year was that?

10 A 1978. No, '75. I think so.

11 Q Would it be --

12 A No, no. No, no. I'm sorry. I have the  
13 wrong -- '95 or '6. Sorry about that.

14 Q I'm sorry. Where did you go after that?

15 A After Cincinnati, I went back to North  
16 Canton, and then they promoted me to distribution  
17 center manager over in Sewickley, Pennsylvania,  
18 and after that I was promoted to manager over  
19 Sewickley and North Canton. And we had closed  
20 Cincinnati, and then we closed North Canton, which  
21 was in Stark County, and we combined it into New  
22 Castle in 2000, and I was made the director of  
23 operations there.

24 Q So is it true that the New Castle



1 facility opened in 2000?

2 A Yes. May of 2000.

3 Q And when it opened, what was your title?

4 A I don't remember if it was DCM or DO,  
5 but it was one of those, and I ran the  
6 distribution center. We got -- started it up, and  
7 then I'm still there. So I've always been in the  
8 Ohio/PA market.

9 Q What geographic territory does the New  
10 Castle distribution service -- distribution center  
11 service?

12 A Our distribution center services -- if I  
13 could say what towns, you might know, but on the  
14 east is State College, which is the -- central PA;  
15 on the north is Erie, Pennsylvania, which is the  
16 north side; northwest is -- is Cleveland; and then  
17 southwest would be down to the Zanesville area;  
18 and then south would be -- I believe it was  
19 Morgantown, Weston; and then back up to New  
20 Castle. So we're in the geographic center.

21 Q How many employees do you manage?

22 A About 133 right now.

23 Q And how many employees are direct  
24 reports to you?

1           A       About ten.

2           Q       In your almost 19 years of managing the  
3       New Castle Distribution Center, how would you  
4       describe the performance of the distribution  
5       center?

6                   MR. BOGLE: Object to form, vague and  
7       ambiguous.

8                   THE WITNESS: The distribution center  
9       won the DC of the year seven times, and that's  
10      twice as many as any other distribution center has  
11      received that, and that's based on the quality and  
12      the performance of the distribution center.

13      BY MR. COLLINS:

14           Q       Are there ever any internal audits  
15      performed about the operations of the distribution  
16      center at New Castle?

17           A       Yes. We have four or five kinds of  
18      audits. The first kind is called a STARS audit  
19      that we do internally to match our SOPs to our  
20      performance. And that's done -- right now it's  
21      done by an accounting team. But before that, all  
22      those years, it was done by McKesson Regulatory  
23      Affairs folks.

24                   Then we have a specific --

1                   Q     I'm sorry. Can you tell me how often  
2     that's done?

3                   A     Every two, two-and-a-half years.

4                   Q     Okay. And the next -- the other audit  
5     you were going to describe?

6                   A     Yes. Sorry. The next audit is the DEA  
7     cyclic audit or any DEA unannounced audit. So  
8     we've had cyclic audits average two-and-a-half  
9     years. They try to do them every two years,  
10    but -- so I believe there were four audits at the  
11    distribution center by the DEA, and they've all  
12    came out as -- a hundred percent as exemplary. So  
13    that was one of the other audits.

14                         And then monthly, we did the triannual  
15    report, which was a DEA SOPs. And then also we  
16    did a VAWD audit, which is the National Wholesale  
17    Association. We do that every two to five years  
18    depending on our licensure. We were one of the  
19    first DCs to get VAWD accreditation.

20                         So when the DEA or we do our audits, we  
21    check our licensing and numerous other things, but  
22    the DEA has been in there a few times, and they've  
23    always had exemplary comments for New Castle and  
24    our team.

1 (Snider Exhibit No. 52 was marked  
2 for identification.)

3 BY MR. COLLINS:

4 Q I'm going to hand you what's been  
5 premarked as Exhibit 52.

6 Mr. Snider, can I ask you to identify  
7 what is Exhibit 52?

8 A This is the triannual checklist in the  
9 McKesson operations manual.

10 Q And what's the purpose of this document?

11 A It's to do a -- every -- every  
12 quarter -- every four months, I'm sorry, do a  
13 DA -- DEA triannual checklist, and there's a group  
14 of questions to ask to make sure we're complying  
15 with supply chain and SOPs.

16 Q Has the DEA ever complained to you about  
17 your operations at the New Castle Distribution  
18 Center?

19 MR. BOGLE: Object to form.

20 THE WITNESS: No. They've always  
21 said -- I know Kurt Dittmer, who was there before.  
22 Patty Robson is there right now as interim agent  
23 in charge, and before that we had -- I knew Jim  
24 Crawford, and all of them have given us exemplary

1 records.

2 BY MR. COLLINS:

3 Q Have you ever received -- or has the  
4 distribution center ever received any kind of  
5 minor infraction or citation from the DEA?

6 MR. BOGLE: Object to form.

7 THE WITNESS: Never.

8 BY MR. COLLINS:

9 Q In terms of the New Castle Distribution  
10 Center operations, on average, what's the volume  
11 of the pharmaceuticals that you distribute per  
12 day?

13 A We do about 150,000 pieces a day to  
14 200,000, depending on the day.

15 Q And when you say "pieces," what do you  
16 mean? Is that -- is that a tablet or --

17 A A bottle or pill, or even sometimes a  
18 case. It depends on the selling unit.

19 Q 150,000 pieces?

20 A Minimum.

21 Q And how many -- what portion of that is  
22 controlled substances?

23 A About fourteen to 15,000. Total for  
24 Class II, III, IV and V.

1           Q     And in terms of opioids, what's the  
2     percentage of the product that is moved out of the  
3     distribution center each day that is an opioid?

4           MR. BOGLE:   Object to form as to time,  
5     vague and ambiguous.

6           MR. COLLINS:   And I -- fair enough.   I  
7     will -- Mr. Bogle's objection is well founded.

8     BY MR. COLLINS:

9           Q     Over the course of the last 20 years,  
10    can you tell me how the volume of opioids, what  
11    it's been relative to the rest of the product  
12    that's been moved?

13          MR. BOGLE:   Object to form.

14          THE WITNESS:   Two percent.

15    BY MR. COLLINS:

16          Q     What other products besides controlled  
17    substances does the distribution center  
18    distribute?

19          A     We sell pharmaceuticals, legend drugs,  
20    over-the-counter merchandise, some medical  
21    devices, everything from syringes to -- we used to  
22    sell wheelchairs and that, but we got out of that  
23    business locally.   But we would sell anything you  
24    would see in a pharmacy.

1           Q     How significant in terms of the  
2     resources are controlled substance to your daily  
3     distribution needs?

4           MR. BOGLE:   Object to form.

5           THE WITNESS:   Currently we have about 10  
6     or 12 people that do nothing but the controls.   I  
7     have two clerks that do nothing but the paper 222  
8     forms or sorting those out, and I have one that  
9     answers the phone and balances those edits.   We  
10    send an edit every day to the DEA, electronically.  
11    I believe it's the Philadelphia office.

12   BY MR. COLLINS:

13           Q     Let's take an opioid that is received in  
14    your distribution center, and I'd like you to  
15    describe how it's received, how it's handled, how  
16    it's stored, and how it's then further  
17    distributed.

18           MR. BOGLE:   Objection.   Form, compound.

19           THE WITNESS:   We receive it several  
20    ways.   Directly from a vendor or FedEx or what we  
21    call our national redistribution center.   So I'll  
22    take the national redistribution center.

23                   They send a notice to us that something  
24    is coming.   The minute it hits the door, it's got

1       an electronic threshold report that I actually get  
2       an e-mail or text that I have to have it in the  
3       cage or the vault within one-half hour. If that  
4       doesn't happen, then the text happens to my  
5       managers to go out and see what's wrong.

6               And of that, we check it in. We open it  
7       up under camera every -- every box. And then the  
8       receiver checks it in, puts it in a holding cage  
9       and rolls it over, just about every hour or two  
10       hours, to the cage or the vault. And then that  
11       person double-checks and opens it up under camera,  
12       and then we have a record of that that keeps  
13       for -- with our system now at least 60 days. And  
14       that's part of it. Everything is double-checked  
15       by at least two people.

16       BY MR. COLLINS:

17               Q       I'm going to hand you a series of  
18       photographs and ask you to identify them for me.

19               A       Okay.

20               Q       They've been premarked as Exhibits 2  
21       through -- 2 through 11. So I'm going to hand you  
22       each of those, and I want you to tell me -- I'll  
23       hand them to you. You can have a seat.

24                       I'm sorry, 53 through 62.



1 (Snider Exhibits No. 53 through 62  
2 were marked for identification.)

3 BY MR. COLLINS:

4 Q So I'm handing you 53. Do you recognize  
5 what's depicted in Exhibit 53?

6 A Yes.

7 Q What is it?

8 A This is our control substance cage for  
9 Class III, IV and V merchandise.

10 Q And where is that perspective from?

11 A It's from the mezzanine level looking  
12 down.

13 Q And does that fairly and accurately  
14 depict the cage --

15 A Yes.

16 Q -- in its current state?

17 A Yeah, the bottom right is our  
18 self-closing door. And then I'll -- which has a  
19 scanner on it so we know only people can enter  
20 that are accessed to that. And there's quite a  
21 bit of -- well, you don't see the security here,  
22 but there's quite a bit there.

23 Q Let me hand you what's been premarked as  
24 Exhibit 54. Can you identify what's depicted in

1 Exhibit 54?

2 A Yes. That's Jeff inside the cage  
3 showing our radio frequency Accumax unit that we  
4 barcode scan the product so we have an accurate  
5 order and -- and know what's in the tote.

6 And what he's doing is put away, and on  
7 the left you see the scanner above the fire  
8 extinguisher for our -- that opens the door,  
9 allows you access if you have a badge that's  
10 authorized. He's been background checked. I  
11 actually know him from my North Canton days.

12 And then the middle of that is the  
13 authorization list of the people that can enter  
14 that area and have access. And then if there's a  
15 visitor, like my boss or whatever, it's put on the  
16 restricted area, authorized personnel only log.  
17 And they have to be accompanied.

18 You can see the -- up above some of the  
19 cameras, et cetera. And that door is  
20 electronically self-closing.

21 Q Does that fairly and accurately depict  
22 the area that you just described?

23 A Yes.

24 Q I'm going to hand you what's been

1       premarked as Exhibit 55. Describe what -- tell me  
2       if you identify -- can identify what's in that  
3       picture.

4               A       Yes. That's the back area of the cage.  
5       There is an I-Wash station there too, but above  
6       that is the motion detectors that go 360 -- well,  
7       I'm sorry, 180, around, and we have those on every  
8       corner. And we alarm test every month, and  
9       everything is brazed bolts. There's a lot of DEA  
10      regs on that.

11              Q       Let me show you what's been -- I'm going  
12      to -- actually, does that fairly and accurately  
13      depict the area that you just described?

14              A       Yes.

15              Q       I'm going to hand you what's been  
16      premarked as Exhibit 56.

17              A       Thank you.

18              Q       Do you recognize what's depicted in  
19      Exhibit 56?

20              A       Yes, I do.

21              Q       What is it?

22              A       That's our fairly new vault that we put  
23      in for Class II product. This was approved by the  
24      DEA, and it's a two-story vault and it's got

1 cement panels. I don't know if they weld them or  
2 whatever, but that area has secure steel doors.  
3 It's a combination lock, self-closing doors. It  
4 just shows you part of the supply chain that we  
5 have to make sure everything is secure. So no one  
6 can go in there unless they're authorized. It has  
7 the same lists and card readers there.

8 Q You -- you indicated this -- well, does  
9 this fairly and accurately depict the area you  
10 just described?

11 A Yes.

12 Q You indicated this is relatively recent.  
13 What did you have there before?

14 A We had two smaller vaults, one story, so  
15 they were a little tight. And so we upgraded to  
16 this, and added all kinds of security cameras and  
17 motion. There's noise sensors. There's heat  
18 sensors. There's everything we can do to make  
19 sure that we aren't broken into.

20 Q What's the purpose of the heat sensors?

21 A Just to make sure if a body is on the  
22 top, you can detect them. There is a space in  
23 between there. That's how we test the alarm  
24 system every month. And when the DEA comes, they

1 walk through and test every -- every point.

2 Q Let me show you what's been premarked as  
3 Exhibit 57, and ask you to tell me whether you can  
4 identify that.

5 A That's just the side of the vault, and  
6 it just shows you some of the conduit for the  
7 security system. Up above there is one of the  
8 sensors, and I think that's what that depicts  
9 there.

10 Q Does it fairly and accurately depict  
11 that area you just described?

12 A Yes.

13 Q I want to show you -- hand you what's  
14 been premarked as Exhibit 58. Ask you to identify  
15 or tell me whether you can identify that.

16 A Yeah, this is the first access door to  
17 the Class II narcotic vault. It just shows the  
18 steel doors and some of the product inside that  
19 vault.

20 Q Does it fairly and accurately depict the  
21 area you just described?

22 A Yes.

23 Q What is kept in that vault?

24 A Class II narcotic substances. And I

1 believe the hydrocodone was put in there about '13  
2 or '14, as I recall.

3 Q And when you say '13 or '14, 2013 and  
4 2014?

5 A Yes.

6 Q And who has access to this area?

7 A The managers. There's a list on the day  
8 gate, so you have to access that too, and they are  
9 all self-closing. So there is a list of managers  
10 and employees, and they're background checked  
11 every year.

12 Q In the almost 20 years that you've  
13 managed this distribution center, have you ever  
14 had any theft of opioids?

15 A Yes, I have.

16 Q When?

17 A We had some in 2010, '10 -- '10 to '11.  
18 And it was a long-term employee, and we called  
19 security, the DEA, let the police know and  
20 everything else, and she was terminated.

21 Q And what was the volume of product that  
22 was missing?

23 A I -- I never found out exactly. I just  
24 know we had three 106s, as I recall, for

1 hydrocodone.

2 Q And what are 106s?

3 A 106 is a loss form that we report to the  
4 DEA, not just with our ARCOS, but we also call  
5 them and talk to them about it and then send it  
6 electronically.

7 Q Let me show you what's been premarked as  
8 Exhibit 59. Can you identify what's in Exhibit 59  
9 for me?

10 A Yes. This just shows the backside. So  
11 you're looking at the opposite side of the vault,  
12 so you get a little idea of the distance. And  
13 then there's sensors on there, and these are the  
14 two roll-about cages that a receiver would put  
15 product in and then roll it into the vault area to  
16 be double-checked under camera.

17 Q Does this fairly and accurately depict  
18 the area you just described along with these  
19 cages?

20 A Yes.

21 Q I show you what's been premarked as  
22 Exhibit 60. Ask you to identify what's depicted  
23 there, if you can.

24 A That's some of our security cameras that

1        was -- Dale took that picture. It just shows some  
2        of our -- I believe they're called 360s. I'm not  
3        an expert. But these cameras would show if there  
4        is any pilferage or tampering, et cetera. Also  
5        shows if there's a problem with something, so I  
6        would see that with these cameras, and we keep  
7        that data.

8            Q        And where exactly are we looking? Is  
9        this --

10           A        This is just down one aisle of the cage.  
11        So you didn't see that from up top, but this is  
12        one aisle in the cage probably as you came in,  
13        past where Jeff was on the other picture.

14           Q        And does it fairly and accurately depict  
15        the area you just described?

16           A        Yes, it does.

17           Q        I'm showing you what's been premarked as  
18        Exhibit 61. Please tell me whether you can  
19        identify this area for me.

20           A        This shows some of the security inside  
21        the vault. So I'll just direct your attention to  
22        the automation that shows a tote is sealed under  
23        camera. And every controlled substance goes into  
24        a security bag that's sealed under camera. So



1 every tote has a security bag sealed to avoid  
2 tampering, and then that tote is tied with a  
3 plastic tote tie, here in the vault, and it's sent  
4 out into the shipping areas and it's commingled,  
5 so you really don't know what a controlled  
6 substance is inside. So all that's scanned.  
7 Also I can tell realtime every tote and every  
8 piece that is scanned on my system.

9 Q What do you mean by a tote?

10 A That's the container for the controlled  
11 substances.

12 Q And I don't recall if I already asked  
13 you, but does this fairly and accurately depict  
14 the area you just described?

15 A Yes.

16 Q I'm showing you what's been premarked as  
17 Exhibit 62. Ask you to identify what's depicted  
18 in Exhibit 62.

19 A Yeah, this is our MAXPRO camera system.  
20 It's just a typical view for our security system.  
21 So it's important that we have access anywhere we  
22 have a laptop availability, and we have access to  
23 this. There's over 130 cameras in the  
24 distribution center, and we do a report out as

1 part of our auditing for scope and purpose, and  
2 then that's reviewed by the DEA.

3 So this was, I believe, Dale's laptop.  
4 So there's a lot more camera footage you can tell.  
5 Even the parking lot is -- is -- we have a fence  
6 around the outside of the parking lot, and we have  
7 badge access only, so we know who came and went,  
8 and et cetera.

9 Q Other than that one occasion I think you  
10 said in 2010 where you had an employee that was  
11 involved in some theft, have you ever had any  
12 other type of incident at your distribution  
13 center?

14 A Yes, we had -- up in Cleveland, someone  
15 approached one of the drivers with a gun, and he  
16 actually yelled for them to get out, and they  
17 actually did. But they asked him to open the back  
18 of his truck, which is always locked, and produce  
19 the totes. And he actually used to run a  
20 Mini-Mart is how he did that.

21 And I know that because our delivery  
22 service has worked for me for almost 40 years, and  
23 it's a dedicated delivery service, and no other  
24 wholesaler has that. And these guys carry

1       scanners so they can scan the totes. We know when  
2       they bring them back how many totes were  
3       delivered. They call if there's an error, they  
4       had ten instead of nine. So we investigate that,  
5       et cetera. But the drivers have been dedicated  
6       service only for McKesson totes, which I think is  
7       a differentiator for us.

8               Q       Do you see any totes in this Exhibit --  
9       is it 62?

10              A       Yes. That top left, you see -- I can't  
11       tell if that's the bio box or the -- yeah, it is  
12       the bio. There's totes lined up there that are  
13       getting ready to fill orders. So they're maroon  
14       totes, and they're all sealed with -- bless you --  
15       they're sealed with a plastic heat strap.

16              Q       And does this fairly and accurately  
17       depict the -- sort of the various views of the  
18       cameras?

19              A       Yes.

20              Q       How long has the distribution center had  
21       cameras?

22              A       Since our inception. And we've had four  
23       iterations of the security system and updated our  
24       DVRs. For instance, just last week, we updated

1       for the WannaCry virus. I don't know what that  
2       is, but they had to update so that coordinates  
3       with our security.

4                   And we have a separate McKesson, it's  
5       called GSOC, which is a company that monitors our  
6       building, and the in-and-out doors, especially on  
7       the weekends, we call them before we come in to  
8       make sure everything is secure, because we do --  
9       there have been hostage situations with other  
10      wholesalers.

11           Q     Do your employees have to be screened to  
12      handle controlled substances?

13           A     Yes. They're background checked, and  
14      it's a preemployment drug test.

15           Q     Are they --

16           A     Every year.

17           Q     I'm sorry. So preemployment, are they  
18      given background checks every year then?

19           A     If they have access to controls, they  
20      are.

21           Q     Are there standard operating procedures  
22      that -- that the distribution center complies with  
23      in its handling of controlled substances?

24           A     Yes. We have SOPs that we work with,

1       and you saw it on some of the audits. The first  
2       one was called the DOM or -- we call it even  
3       before that Section 55, but we've always had SOPs  
4       for handling of controlled substances.

5                       (Snider Exhibit No. 63 was marked  
6                       for identification.)

7       BY MR. COLLINS:

8               Q       I'm going to hand you what's been  
9       premarked as Exhibit 63. Ask you to identify that  
10      for me.

11              A       This is the McKesson operations  
12      manager -- I think I -- we had this before.

13              Q       And approximately what period of time  
14      was this in effect?

15              A       This was -- let me see. I'm not sure.  
16      I'd have to look here. Just a second. (Peruses  
17      document.)

18                      I'm going to guess. My memory was 2000  
19      to 2006. It might have been changed after that.  
20      I'm not sure.

21              Q       Do your employees undergo any kind of  
22      training for handling of controlled substances?

23              A       Yeah, we do. We do SOPs, and then we  
24      document the training for everything from door

1 checks -- that they're going to have a door check  
2 to the walk test every month, and that they could  
3 be searched, et cetera.

4 So we also go to SOPs for the handling  
5 of every controlled substance, how they have to  
6 keep it under camera, and they actually have a  
7 camera right above them when they fill or dispense  
8 product into the security bag. So that helps us  
9 to make sure the right product is in that bag.

10 Q Does the distribution center communicate  
11 with local DEA?

12 A Yes.

13 Q How often?

14 A Not as much right now, but they will  
15 call me. I talked to Patty Robson last week. And  
16 I also used to talk to Kurt Dittmer quite a bit  
17 before he retired. And I've known these folks for  
18 a long time, and I would probably say at least  
19 twice a month there was some contact.

20 Q Has the DEA -- the local DEA ever given  
21 you a complaint about the operation of the  
22 distribution center?

23 MR. BOGLE: Object to form.

24 THE WITNESS: They've never.

1 BY MR. COLLINS:

2 Q I'm sorry?

3 A No, they have never.

4 Q In earlier questioning by Mr. Bogle, he  
5 mentioned a settlement agreement with the -- the  
6 Justice Department. Do you recall that?

7 A Yes.

8 Q Do you know if the New Castle  
9 Distribution Center was mentioned in that  
10 settlement agreement?

11 A I know it was not.

12 (Snider Exhibit No. 64 was marked  
13 for identification.)

14 BY MR. COLLINS:

15 Q I'm going to show you what's been  
16 premarked as Exhibit 64.

17 Do you recognize that document?

18 A Yes.

19 Q What is it?

20 A It's the controlled substance compliance  
21 process.

22 Q And what's the purpose of this document?

23 A To make sure the SOPs are followed under  
24 the MOM or manual on the handling of controlled

1 substances. So this would be how to fill out the  
2 daily transmission to the DEA, how to file the  
3 ARCOS month end, how to do counts.

4 We count the product every day if it  
5 doesn't match inventory numbers, and we also count  
6 the product every month, and twice a year we count  
7 every piece, including Class IV through V in  
8 there. We just do our biannual inventory last  
9 month.

10 So it tells us how to do that. It also  
11 tells us how to fill out or how to properly fill  
12 out and check a 222 form, which is what a percent  
13 of our customers still use. It's a three-part  
14 form, and it tells how to do that and how to void  
15 that. We spend a lot of time with that. I prefer  
16 the electronic version called CSOS, but this  
17 explains how to do all of that.

18 Q I want to talk about the suspicious  
19 order reporting programs you've had in place at  
20 the New Castle Distribution Center. Can you  
21 describe what process you followed starting in  
22 2000 to report suspicious orders?

23 MR. BOGLE: Object to form. Vague and  
24 overbroad.



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1                   THE WITNESS: Yes. Briefly, the first  
2     part, 2000 to 2006, we would fax the DEA unusual  
3     purchase notification log, I think is what the  
4     full name was, DU45. And then we would transmit a  
5     monthly ARCOS, and we've been doing that for all  
6     of my 40 years. So we transmit ARCOS to the DEA.  
7     That's every transaction, automated reporting of  
8     control order system. And we --

9     BY MR. COLLINS:

10            Q     I'm sorry. How often is that done or  
11     was that done?

12            A     Once a month.

13            Q     And the DU45s, how often were they  
14     transmitted to the DEA?

15                   MR. BOGLE: Object to form.

16                   THE WITNESS: In 2000 to 2006, it was  
17     daily. And then we also sent it monthly, and we  
18     put it in the audit box for the DEA, and retained  
19     it for two years also. So we had that data for  
20     them to look at when they did the audit, and they  
21     did.

22     BY MR. COLLINS:

23            Q     I want to make sure I'm clear. So you  
24     mentioned basically three reports, correct?

1 A Yes.

2 Q The monthly ARCOS data.

3 A Yes.

4 Q Every transaction reported to the DEA.

5 A Yes.

6 Q Daily DU45.

7 A Yes.

8 Q Suspicious order reports faxed to the

9 DEA.

10 A Yes.

11 Q And then monthly, the same thing.

12 A Monthly suspicious order reports that  
13 were sent. I think --

14 MR. BOGLE: Object as leading.

15 BY MR. COLLINS:

16 Q Let me -- in terms of the timing of  
17 filling orders versus faxing DU45s, can you  
18 explain that, how that occurred?

19 A Yeah. The early part of the program, it  
20 was kind of reactive. So the order would already  
21 get there. Sometimes we would have it filled and  
22 on the cross dock truck, and then we would get the  
23 DU45 and look at that. So we couldn't be as  
24 proactive, so we sent it to the DEA after the

1 order was filled.

2 And then after that, 2007 on, it was  
3 more proactive was -- was the way I looked at it,  
4 so that we could maybe stop and take a look at it  
5 and have the DRAs in place. But during that first  
6 part of the time, it was -- the data would only  
7 come after we did the last pull of orders, and we  
8 may have shipped it, especially if our early  
9 trucks went out at midnight.

10 Q Did there ever come a time where the DEA  
11 told you to stop sending these daily DU45 reports?

12 MR. BOGLE: Object to form. Hearsay.

13 THE WITNESS: Yes. They asked us to  
14 stop faxing them after a little bit. Kurt Dittmer  
15 called me. And I asked him to put it in writing,  
16 because I knew that, and he did send me an e-mail  
17 about that. He said the monthly suspicious order  
18 reports were enough, and he would accept that.

19 BY MR. COLLINS:

20 Q And do you remember approximately when  
21 that occurred?

22 A No, I don't. 2004, 2005. I'm not sure.

23 Q And what was his explanation?

24 A That they had enough data --

1 MR. BOGLE: Object to form.

2 THE WITNESS: -- with the monthly  
3 suspicious order reports.

4 (Snider Exhibit No. 65 was marked  
5 for identification.)

6 BY MR. COLLINS:

7 Q I'm going to hand you what's been marked  
8 as Exhibit 65, and ask you to identify it for me,  
9 please.

10 A It's a MOM manual.

11 Q I'm sorry. Can you -- can you explain  
12 that?

13 A McKesson Operation Manual from, it looks  
14 like, 2013. We did an update.

15 Q What's the purpose?

16 A This changed the way we did the -- not  
17 the daily ARCOS procedure, but the month end and  
18 the DEA error report notices, and I believe that  
19 sent it all electronic. And some of this is a  
20 little bit technical, but we would send every day  
21 the reports to the DEA.

22 Q When did you start doing it daily?

23 A Well, this says 2013, electronically,  
24 but I'm not sure.

1           Q     When the New Castle Distribution Center  
2     first became operational in 2000, did you have  
3     access to customer information in terms of who  
4     else was supplying them?

5           A     No, I didn't.

6                     MR. BOGLE: Object to form.

7     BY MR. COLLINS:

8           Q     Do you have that now?

9           A     The DRAs have all the access to that,  
10    yes.

11          Q     And when did that start?

12          A     I'm -- I'm not sure if that was 2008,  
13    but -- with the Lifestyle drugs, but I know that  
14    the fact that they could see the wholesalers'  
15    information, I think Izzy told me it was just  
16    within the last few years.

17                     (Snider Exhibit No. 66 was marked  
18                     for identification.)

19    BY MR. COLLINS:

20          Q     I'm going to show you what's been now  
21    premarked as Exhibit 66, and ask you to identify  
22    it for me.

23                     What is Exhibit 66?

24          A     It looks like an update of the ARCOS

1 manual, 2014. I'm not sure of that date, but  
2 that's what it looks like. This shows how to  
3 count the ARCOS.

4 Q Can you tell me how your role as a  
5 manager or director of operations of a  
6 distribution center has changed since the opening  
7 of the distribution center over time with respect  
8 to handling and monitoring of controlled  
9 substances?

10 MR. BOGLE: Object to form, vague and  
11 ambiguous.

12 THE WITNESS: Just some of the things  
13 that I can mention. We've upgraded all the  
14 security systems. We've actually changed the way  
15 we do totes. We used to identify them as a  
16 controlled substance and put them on the back of  
17 the truck, and we stopped doing that years ago.

18 And also as far as the way we handle  
19 controls, it's a lot more data driven. The  
20 director of Regulatory Affairs, especially for  
21 national accounts, because I wasn't always privy  
22 to that data, so they had a lot of data that they  
23 could see, and when they started getting the  
24 script information, it was very helpful to them to

1 make the decision on the customer.

2 BY MR. COLLINS:

3 Q What do you mean by "script  
4 information"?

5 A That was part of the -- after the LDMP,  
6 the CSMP, to get script information from the  
7 customer for, I think it was, three months.  
8 Without the HIPAA or the people's information,  
9 just the amounts. So it would actually say what  
10 kind of doctor -- what doctor prescribes what --  
11 what pills.

12 Q You've mentioned the director of  
13 Regulatory Affairs a number of times. What's his  
14 or her role?

15 MR. BOGLE: Object to form.

16 THE WITNESS: They're vetting out the  
17 regulations and the customers that we either  
18 onboard or sell to.

19 BY MR. COLLINS:

20 Q Given your almost four decades of  
21 experience with McKesson, including almost 20  
22 years as the director of operations of the New  
23 Castle Distribution Center, what do you think  
24 about all of these allegations about McKesson

1       fueling the opioid crisis?

2                   MR. BOGLE: Object to form.

3                   THE WITNESS: I spent most of my life in

4       Summit County. I know Cuyahoga County. I'm

5       probably the last Browns' fan you'll ever meet.

6       So it means a lot to me, and I would never do

7       anything willingly to create an opiate crisis.

8       I -- I feel it is terrible and I feel bad for it,

9       but I don't say that I caused it at -- at New

10      Castle.

11      BY MR. COLLINS:

12                Q       Besides your handling of distribution of

13      pharmaceuticals in a routine way, are you aware of

14      any other things that you've done as a head of

15      operations at the distribution center --

16                   MR. BOGLE: Object.

17      BY MR. COLLINS:

18                Q       -- that would impact the community?

19                   MR. BOGLE: Object to form.

20                   THE WITNESS: Yeah, I guess that's where

21      I say about some of the things we do.

22                   I know in -- I think it was Summit

23      County, Stark County, there was a meningitis

24      outbreak several years ago, and one of the high



1 school kids, one or two of them died, and so we  
2 had to provide the antidote or the medicine for  
3 that. And I called in helicopters, and they  
4 landed in the parking lot and they distributed to  
5 the County Board of Health, I believe it was, and  
6 one of the hospitals. And that's kind of what we  
7 do.

8 I also -- just recently one of my  
9 managers from UPMC Pittsburgh Hospital, they had a  
10 snake bite, and they must have been in central PA.  
11 I'm not sure how that happened. But we -- he  
12 didn't know if the courier could get there quick  
13 enough, so he grabbed it and drove it down  
14 himself, and that saved the kid.

15 And then we were in McKesson Today for  
16 New Castle recently for the Washington Courthouse  
17 distribution center in Ohio that we provided and  
18 had a life-saving medicine, and my manager drove  
19 it halfway, they had someone pick it up, and it  
20 saved the patient. It was a mother who was  
21 pregnant and needed this medicine to save the  
22 baby, and I know that's what we did.

23 It was written up in the McKesson Today,  
24 et cetera, and Bev did most of the work. I just

1       was standing there. But that's the kind of thing  
2       we do that I wanted to make sure I got on the  
3       record.

4                   MR. COLLINS: I have no further  
5       questions. You want to switch?

6                   MR. BOGLE: Yeah, just give me a couple  
7       of minutes.

8                   THE VIDEOGRAPHER: The time is 5:55 p.m.  
9       We're going off the record.

10                   (Recess.)

11                   THE VIDEOGRAPHER: The time is 6:02  
12       p.m., and we're back on the record.

13                   RECROSS-EXAMINATION

14       BY MR. BOGLE:

15               Q     All right. Mr. Snider, I have a few  
16       follow-up questions for you.

17                   You made reference to opioids being  
18       2 percent of the overall volume at your  
19       distribution center. Do you recall that  
20       testimony?

21               A     Yes. At one time, yes.

22               Q     Yeah, that number has not been stagnant,  
23       right? For example, when you started in 2000,  
24       that number increased over time, didn't it?

1 MR. COLLINS: Objection. Vague.

2 THE WITNESS: Over time, yes, it did.

3 BY MR. BOGLE:

4 Q Right. So when you say that opioids  
5 were 2 percent of the total volume at New Castle,  
6 you're not representing to our jury that that was  
7 true for the entire period of 2008 -- or 2000 to  
8 present, right?

9 A No. I just got the data from present.

10 Q From today?

11 A Recently.

12 Q Right. So, for example, you have the  
13 2018 data is what you're talking about.

14 A Yes.

15 Q Okay. And it was higher than that, for  
16 example, in 2010.

17 A I don't -- I don't know that, what it  
18 was.

19 Q You don't know. So you didn't check  
20 anything other than 2018.

21 A Correct.

22 Q Okay. You provided some -- some  
23 testimony about -- to the effect that the DEA has  
24 never had any complaints about any activities

1 involving New Castle. Is that right?

2 A Yes.

3 Q Okay. Have you reviewed any of the DEA  
4 and DOJ letters that led to the -- the \$150  
5 million settlement agreement?

6 A I looked at them, yes, briefly.

7 Q Did you just look at the settlement  
8 agreement, or did you look at any of the internal  
9 letters that led up to that?

10 A I looked at the distribution centers  
11 listed.

12 Q Okay. Did you review the letters in  
13 detail beyond that?

14 A No.

15 Q Okay. So, for example, if the -- some  
16 of the letters from the DEA indicate that they  
17 found nationwide and systemic violations regarding  
18 controlled substance monitoring at McKesson,  
19 that's something you were not aware of when you  
20 provided that testimony, right?

21 MR. COLLINS: Objection. Assumes facts  
22 not in evidence. Lack of foundation.

23 BY MR. BOGLE:

24 Q Right?

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1           A       Can you ask me -- I'm not sure what you  
2       mean by --

3           Q       Sure.

4           A       -- "provided that testimony."

5           Q       You provided testimony there's been no  
6       complaints about -- about New Castle from the DEA.

7           A       Yes.

8           Q       And my question to you was, did you  
9       review any of these letters from the DEA to assess  
10      whether they made any comments about the fact that  
11      they found nationwide and systemic violations as  
12      to McKesson's suspicious order monitoring  
13      programs?

14                   MR. COLLINS:   Object to form.

15                   THE WITNESS:   I did not discuss it with  
16      the DEA.

17      BY MR. BOGLE:

18           Q       No, I'm talking about in the letters.  
19      Did you see that in the letters anywhere?

20                   MR. COLLINS:   Objection.   I'm not  
21      sure --

22      BY MR. BOGLE:

23           Q       All right.   Let's just take a look at  
24      one.

1           A       No, I didn't.

2           Q       Okay. Let's take a look at one.

3           A       I thought you said did I review it with  
4 the DEA. That's what I heard.

5           Q       All right. That's fine.

6                   (Snider Exhibit No. 67 was marked  
7 for identification.)

8 BY MR. BOGLE:

9           Q       Exhibit 67, I'm going to hand you here,  
10 also marked as 1.1443.

11                   This is a letter from U.S. Department of  
12 Justice, Drug Enforcement Administration, dated  
13 November 4, 2014. Do you see that?

14          A       Yes, I do.

15          Q       Okay. It's sent to a Geoffrey Hobart at  
16 Covington & Burling. Do you see that?

17          A       Yes.

18          Q       Okay. And that's the same firm that's  
19 also representing you here today, right?

20          A       Yes.

21          Q       Okay. And if you look at this letter,  
22 I'm going to page 2 in the letter. And I'm on the  
23 fourth paragraph.

24                   And it says: "In order to release all

1 McKesson-owned DEA registrants from administrative  
2 liability as you have requested, the agreed-upon  
3 registration consequences must reflect not only  
4 the gravity of the offenses but the nationwide  
5 scope of McKesson's failure to report suspicious  
6 orders and to maintain effective controls against  
7 diversion."

8 Do you see that?

9 A Yes.

10 Q Okay. When you looked through the DEA  
11 correspondence prior to testifying today, do you  
12 recall reading that statement?

13 MR. COLLINS: Objection. Lack of  
14 foundation. Form.

15 THE WITNESS: No, I don't.

16 BY MR. BOGLE:

17 Q You don't. Okay.

18 And if you go to page 5 of the letter,  
19 the first full paragraph, it says: "As noted  
20 above, the above examples are illustrative, not  
21 exhaustive. They are meant to illustrate what we  
22 mean when we say that we will be driven by the  
23 evidence that we could present in administrative  
24 proceedings against these registrants. We have

1 attempted to highlight this evidence in hopes that  
2 you and your client can fully understand why DEA  
3 believes that the failings at McKesson were  
4 system -- systemic as they were serious."

5 Do you see that?

6 A Yes.

7 Q Okay. Do you recall seeing that in the  
8 letter that you reviewed?

9 MR. COLLINS: Objection. Asked and  
10 answered.

11 THE WITNESS: No.

12 BY MR. BOGLE:

13 Q You reviewed quite a few photos of the  
14 New Castle Distribution Center. Do you recall  
15 that?

16 A Yes.

17 Q Okay. Now, those photos all pertain to  
18 security measures contained within your facility  
19 at New Castle, right?

20 A Yes.

21 Q Okay. None of those photos pertain to  
22 anything that involved trying to make sure that  
23 the controlled substances once they are sold get  
24 into the right hands, right?



1           A       No. Except for the security bags and  
2       the sealed totes.

3           Q       To make sure your drivers don't get  
4       robbed, right?

5           A       Or to make sure that the pharmacist  
6       opens it behind the pharmacy and scans the product  
7       with -- to make sure it's the right stuff.

8           Q       To make sure the pharmacist doesn't get  
9       robbed.

10          A       Or make sure it doesn't get pilfered.

11          Q       When you say "pilfered," what do you  
12       mean?

13          A       The stuff is in a security bag from us,  
14       and I just wanted to make that clear that it's  
15       another layer of security that we put in there so  
16       that the pharmacist has to open the bag. It can't  
17       be tampered with.

18          Q       You talked too about these -- these  
19       totes that the controlled substances are carried  
20       in. Do you recall discussing that generally?

21          A       Yes.

22          Q       And I think you said something about  
23       having dedicated drivers delivering these totes,  
24       and that was something that you thought

1 differentiated McKesson from other wholesalers.

2 Am I summarizing that fairly?

3 A Yes.

4 Q Okay. Now, you've had at New Castle  
5 problems with lost totes that carried controlled  
6 substances in them, right?

7 MR. COLLINS: Objection. Form.

8 THE WITNESS: No.

9 BY MR. BOGLE:

10 Q You've never lost a tote?

11 A I didn't say that. We don't have a  
12 problem with it.

13 Q Okay. Well, we talked about Giant  
14 Eagle, for example, earlier, right, and you recall  
15 back in 2014 losing several totes that included  
16 controlled substances for deliveries to Giant  
17 Eagle, right?

18 A No, I don't.

19 Q You don't?

20 A Nope.

21 Q Okay. All right.

22 (Snider Exhibit No. 68 was marked  
23 for identification.)

24 BY MR. BOGLE:

1           Q     I'm going to hand you Exhibit 68, also  
2     marked as 1.1878.

3                     Looking at the e-mail on the bottom  
4     of the first page, it's from a Barbara Simpson,  
5     April 23rd, 2014, to several individuals,  
6     including you, right?

7           A     Yes.

8           Q     Titled "Missing HBC Tote." Do you see  
9     that?

10          A     Yes.

11          Q     What is HBC?

12          A     That's not our tote. That's a Giant  
13     Eagle tote that the delivery service delivers for  
14     them, and we don't handle it. It's the -- it's  
15     their warehouse.

16          Q     So you guys deliver for HBC for their  
17     materials, is that what you're saying?

18          A     I don't. The delivery service does.

19          Q     Right. So -- so the delivery service,  
20     you're saying -- your testimony is that they've  
21     lost HBC's totes but not McKesson's?

22          A     I don't even know that they lost an HBC  
23     tote. It doesn't say whose fault it was. But  
24     this wasn't our tote. It was a Giant Eagle tote.

1       They have their own warehouse, and they have their  
2       own control system, et cetera, and I'm --

3               Q       These are the same --

4               A       -- I'm not involved with it.

5               Q       Sorry. These are the same delivery  
6       drivers that deliver McKesson totes, right?

7                       MR. COLLINS: Objection. Misrep- --  
8       mischaracterization.

9                       THE WITNESS: Yes, they deliver for  
10      Giant Eagle.

11      BY MR. BOGLE:

12               Q       And you're aware of the circumstance  
13      back in 2014 where two totes were lost, right?

14               A       No.

15               Q       That contained controlled substances.

16               A       If you give me time to read it, I will.  
17      I'm not -- it's HBC --

18               Q       Sure. It's a one-page e-mail. Go  
19      ahead.

20               A       Sorry, there's other pages here. Okay.  
21      (Peruses document.)

22                       This -- this doesn't record that the  
23      delivery service lost any totes. It's recording  
24      that this -- Giant Eagle reported missing. So

1       their manifest wasn't correct on that.

2               Q       Okay. It does report missing totes,  
3       right?

4                       MR. COLLINS: Objection.

5       Mischaracterization of his --

6               THE WITNESS: It does not.

7               MR. COLLINS: -- testimony.

8       BY MR. BOGLE:

9               Q       It does not report where the totes are  
10       missing?

11              A       No.

12              Q       Okay. So when the e-mail talks about  
13       missing HBC totes, they're not talking about  
14       missing totes?

15              A       They're talking about missing totes, but  
16       it doesn't report it. This isn't a 106 or a lost  
17       form to the DEA.

18              Q       Right. But this whole e-mail discussion  
19       is about missing totes, right?

20                     MR. COLLINS: Objection. Lack of  
21       foundation.

22              THE WITNESS: Yes, from -- from someone  
23       else.

24       BY MR. BOGLE:

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1           Q     Right. But it's -- it's certainly these  
2     delivery drivers -- either delivery drivers or HBC  
3     that lost these totes. We can agree on that,  
4     right?

5           A     Yes.

6           Q     Okay.

7           A     Also there's no manifest to show that.  
8     So the -- I'm sure that Greg Carlson and the Giant  
9     Eagle folks reported that to the DEA, that they  
10    have missing totes, or I don't even know that they  
11    found them at another store or where --

12          Q     Right. You don't know either way,  
13    right?

14          A     No.

15          Q     But you do agree with me this discusses  
16    missing totes?

17                   MR. COLLINS: Objection. The question  
18    is vague.

19    BY MR. BOGLE:

20          Q     Right?

21          A     Yeah.

22                   MR. COLLINS: The question is vague.

23    BY MR. BOGLE:

24          Q     Now, you talked about McKesson always

1       having standard operating procedures for  
2       controlled substances.

3                   Do you recall testifying to that a few  
4       minutes ago?

5           A       Yes.

6           Q       Okay. And so I think I asked you a  
7       similar question in my exam. You have no idea  
8       what was in place prior to 2000, do you?

9                   MR. COLLINS: Objection. Vague, form.

10                  THE WITNESS: I don't recall. There was  
11       a 55 manual, Section 55. That's what I recall.

12       BY MR. BOGLE:

13           Q       Right. And we looked at that actually  
14       at the very beginning of the exam that was dated  
15       July 2000, right?

16           A       Yes.

17           Q       So you have no idea whether any standard  
18       operating procedure existed prior to that manual  
19       in July of 2000, do you?

20                   MR. COLLINS: Objection. Asked and  
21       answered.

22                  THE WITNESS: I know there was one in  
23       '97 for sure.

24       BY MR. BOGLE:

1 Q There was one in '97?

2 A Yes. That's what I recall.

3 Q Okay. And how did that differ from the  
4 2000 version?

5 A I don't know.

6 Q Okay. What was that one titled?

7 A Probably DOM or Operations Manual. We  
8 didn't use the word SOPs back then.

9 Q Okay. Have you seen any copies of that  
10 SOP? Because we've asked for all of them and we  
11 didn't get anything prior to 2000.

12 A No, I didn't.

13 Q Okay. Now, you said that there were  
14 reports sent to the DEA, unusual order reports, I  
15 think you called them, from 2000 to 2006. Do you  
16 recall that?

17 A Yes.

18 Q Do you have any documentary proof of  
19 that at this point in time?

20 A No.

21 Q And you also said that at some point in  
22 time, the D -- a DEA agent told you on the phone  
23 that he didn't want daily unusual reports anymore.  
24 Do you recall that?



1           A       Yes.

2           Q       Do you have any documentary proof of  
3       that today?

4           A       I don't have the e-mail. He actually  
5       put it in writing for me.

6           Q       But you don't have that, right?

7           A       No, not from two -- whatever year that  
8       was.

9           Q       So we don't have any way to verify by  
10       documentation either of those statements, do we?

11                   MR. COLLINS: Objection. It's a  
12       mischaracterization. You can ask the DEA.

13                   THE WITNESS: From Kurt Dittmer would be  
14       the only way to verify that.

15       BY MR. BOGLE:

16           Q       We don't have any documentary evidence  
17       that you can provide us as to providing reports  
18       from 2000 to 2006, number one, right?

19           A       Number one?

20           Q       First thing. You can't point me to any  
21       documents that show that you actually did what you  
22       said you did?

23           A       No, I don't have those e-mails from 2004  
24       or whatever year it was.

1           Q     And you don't -- and you don't have any  
2     e-mail that you can show me or to the jury or to  
3     anybody else about the DEA agent specifically  
4     calling you and telling you that you didn't need  
5     to provide daily reports anymore, correct?

6           A     I don't have that.

7           Q     You were asked about obtaining data from  
8     other -- strike that.

9                     You talked about being able to obtain  
10    data regarding your customers receiving controlled  
11    substances from other manufacture -- other --  
12    other wholesalers. Do you recall that?

13          A     Yes.

14          Q     And you talked about when you thought  
15    that was available, and I won't go back into the  
16    exact years, but you recall talking about a  
17    timeline --

18          A     Yes.

19          Q     -- when you thought that was available,  
20    right?

21          A     Yes.

22          Q     The bottom line is, McKesson at all  
23    times was able to ask the customer for that data,  
24    right?

1 MR. COLLINS: Objection. Compound,  
2 argumentative.

3 THE WITNESS: I don't know that.

4 BY MR. BOGLE:

5 Q You don't know whether McKesson at all  
6 times could ask their own customers, Listen, give  
7 me all of the drugs that you're getting from all  
8 the wholesalers, give me proof of that, I want to  
9 see?

10 A From 2000 on, I don't know that -- if  
11 that was legally feasible.

12 Q Legally feasible?

13 A Yeah, I don't know --

14 Q You've asked --

15 A -- if we could legally give them the  
16 other wholesalers' information.

17 Q Do you recall anybody ever asking, that  
18 you were aware of?

19 MR. COLLINS: Objection to form.

20 THE WITNESS: Yes.

21 BY MR. BOGLE:

22 Q You recall somebody asking for it?

23 A Yes.

24 Q And somebody saying that was legally not

1 possible?

2 A No.

3 Q Okay. So -- but what you do know is you  
4 guys can get it today, right?

5 A I -- yes, as he showed me.

6 Q Any -- are you aware of any changes to  
7 the laws that would allow it today that didn't  
8 exist before?

9 MR. COLLINS: Objection. Calls for a  
10 legal conclusion, among other things.

11 THE WITNESS: I don't know anything  
12 about the laws, no, right now on that.

13 BY MR. BOGLE:

14 Q Okay. Well, you talked about the fact  
15 that you guys could get it. I'm just trying to  
16 follow up on that.

17 A It depends --

18 MR. COLLINS: I'm sorry, is that -- I'm  
19 not sure that's a question.

20 MR. BOGLE: No, it's not. It's just a  
21 comment.

22 BY MR. BOGLE:

23 Q Now, you talked about blocked orders and  
24 suspicious order reports generally. Do you recall

1       that?

2               A       Yes.

3               Q       Okay. Now, the fact of the matter is  
4       for Summit County, there were no blocked orders  
5       from January 2006 to May 2008 for McKesson for  
6       Summit County pharmacies, were there?

7                       MR. COLLINS: Object to the term  
8       "blocked orders." Vague. Form.

9                       THE WITNESS: Can you explain "blocked  
10      orders"? Unusual purchases?

11      BY MR. BOGLE:

12              Q       No, what I'm asking is, if a customer  
13      from 2006 to mid-2008 from Cuyahoga County made an  
14      order for a controlled substance, they got that  
15      order, and those orders were not stopped or  
16      blocked or ceased, right?

17              A       No -- no, they were blocked, stopped or  
18      ceased.

19              Q       Okay. Well, let's take a look at Summit  
20      County here.

21                      This is a summary of -- on the first  
22      page -- of the information that's been provided to  
23      us about blocked orders from Summit County.  
24      Exhibit 69.

1 (Snider Exhibit No. 69 was marked  
2 for identification.)

3 BY MR. BOGLE:

4 Q So this is what was produced to us as  
5 far as blocked orders from Summit County or  
6 stopped orders.

7 Do you see on the first page -- this is  
8 from January 1, 2006, on. Do you see the first  
9 blocked or stopped order that appears on this  
10 spreadsheet on page 2 is from June 18, 2008, for a  
11 Summit County pharmacy? Do you see that?

12 A Yes. I have no idea what this document  
13 is. It doesn't even have attribution.

14 Q This is what was provided to us when we  
15 asked for evidence of stopped orders. This is  
16 what was provided by McKesson.

17 A I don't -- I don't know that.

18 Q Okay. So you're saying this is wrong?

19 A No.

20 MR. COLLINS: No. Objection. That's a  
21 total mischaracterization of his answer. He said  
22 he doesn't know what this document is.

23 THE WITNESS: I don't know anything  
24 about this document.

1 BY MR. BOGLE:

2 Q Okay. So if what was produced to us  
3 supports the notion that there were no blocked  
4 or stopped orders from January 1, 2006, until  
5 June 17, 2008, into Summit County from McKesson,  
6 do you have any reason to dispute the accuracy of  
7 that finding?

8 MR. COLLINS: Objection. Assumes facts  
9 not in evidence, lack of foundation.

10 THE WITNESS: Yes, I don't know.

11 BY MR. BOGLE:

12 Q You don't know.

13 A Correct.

14 Q Okay. So -- and this report as well  
15 indicates that the first report to the DEA of a  
16 blocked order occurred August 1st, 2013, for a  
17 Summit County pharmacy, and that's on page .10.

18 You see there's a "DEA reported date"  
19 column there, and you see it's blank on all pages  
20 leading up to .10 until you get to August 1, 2013.

21 A I can testify --

22 MR. COLLINS: I'm sorry. I'm not sure  
23 if there's a question. He's just --

24 BY MR. BOGLE:

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1           Q     Yeah, I'm introducing the information to  
2     you.

3           A     Okay.

4           Q     You see there's a "DEA reported date"  
5     column. The first date entry is on page 10 for a  
6     blocked order that was reported to the DEA,  
7     August 1st, 2013, for a Summit County pharmacy.  
8     Do you see that?

9           A     I don't know what that is, and I don't  
10    know -- it doesn't say blocked order. It says  
11    Acme Pharmacy.

12          Q     This was represented to us by McKesson  
13    this was their blocked order reports for Summit  
14    County.

15               MR. COLLINS: Objection. Lack of  
16    foundation what this --

17    BY MR. BOGLE:

18          Q     So you don't know what this report is  
19    even about?

20               MR. COLLINS: I'm sorry, let me finish  
21    my objection. Lack of foundation. You haven't  
22    established this witness's knowledge as to what  
23    this document --

24    BY MR. BOGLE:



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1           Q     Geez, it should, man. I mean, you don't  
2     know when orders were blocked from your  
3     distribution center?

4           MR. COLLINS: You don't have to answer  
5     that.

6     BY MR. BOGLE:

7           Q     No, you do. You don't know that?

8           MR. COLLINS: Actually -- actually, lack  
9     of foundation. You haven't established this  
10    witness has any knowledge about this document. He  
11    keeps telling you he doesn't know anything about  
12    the document, and you keep asking him questions  
13    about a document he doesn't know anything about.

14          THE WITNESS: I don't know anything  
15    about this document, and you say it's a blocked  
16    item document, and this cover page is on it, but  
17    I've never seen this before.

18    BY MR. BOGLE:

19          Q     I put the cover page on there.  
20    Everything else --

21          A     Oh --

22          Q     -- is provided to us by --

23          A     -- I did not know that.

24          Q     That's a summary of the data included in

1       there.

2           A       If you say so, but I don't -- can't  
3       testify to that.

4           Q       Okay. You have no reason to dispute the  
5       accuracy of either of those statements, do you, on  
6       the first page?

7                   MR. COLLINS: Objection. Lack of  
8       foundation.

9       BY MR. BOGLE:

10          Q       Do you?

11                   MR. COLLINS: Objection. Lack of  
12       foundation.

13                   THE WITNESS: I don't trust what you put  
14       on here.

15       BY MR. BOGLE:

16          Q       You don't trust what I put on there?

17          A       No.

18          Q       Show me where I'm wrong in the document.

19          A       I don't know the document.

20          Q       Okay. You don't have any idea, right?

21                   MR. COLLINS: Objection. Argumentative.

22                   MR. BOGLE: No further questions.

23                   MR. COLLINS: Actually I have a couple  
24       of follow-ups.

1 REDIRECT EXAMINATION

2 BY MR. COLLINS:

3 Q Exhibit 67, can you pull it out.

4 Mr. Bogle asked you about this  
5 correspondence between the DEA and Mr. Hobart.  
6 Can you look through it and see if you see the  
7 New Castle name mentioned anywhere in this  
8 document?

9 A I was kind of looking through that. I  
10 think I saw Colorado. I didn't see New Castle  
11 anywhere.

12 Q All right, Exhibit 68, Mr. Bogle  
13 questioned you about this allegedly lost tote.

14 Did McKesson ever lose any totes in  
15 connection with servicing whatever customer this  
16 is?

17 A No.

18 Q Do you have any idea what this -- what  
19 is being discussed in this e-mail?

20 A This is --

21 MR. BOGLE: Object to form.

22 THE WITNESS: This is their Giant Eagle  
23 warehouse that they contracted with SSD to fill --  
24 to deliver orders, and their due diligence would

1 have been their manifest.

2 But Barb is trying to find out because  
3 she's doing due diligence to make sure controls  
4 don't get out on the street.

5 BY MR. BOGLE:

6 Q Does this document reflect that McKesson  
7 lost totes?

8 A No.

9 MR. BOGLE: Object to form.

10 MR. COLLINS: No further questions.

11 MR. BOGLE: All right, we're done.

12 THE VIDEOGRAPHER: All right. The time  
13 is -- sorry, anything else?

14 MR. BOGLE: No, I'm good.

15 MR. COLLINS: We're good.

16 THE VIDEOGRAPHER: Anybody on the phone  
17 either?

18 I just want to make sure --

19 MR. COLLINS: I didn't even know -- was  
20 there anybody participating by phone?

21 THE VIDEOGRAPHER: The time is  
22 6:23 p.m., November 8, 2018.

23 Going off the record, completing the  
24 videotaped deposition.

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1 (Whereupon, the deposition of  
2 BLAINE M. SNIDER was concluded  
3 at 6:23 p.m.)  
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1 CERTIFICATE OF CERTIFIED SHORTHAND REPORTER

2 The undersigned Certified Shorthand Reporter  
3 does hereby certify:

4 That the foregoing proceeding was taken before  
5 me at the time and place therein set forth, at  
6 which time the witness was duly sworn; That the  
7 testimony of the witness and all objections made  
8 at the time of the examination were recorded  
9 stenographically by me and were thereafter  
10 transcribed, said transcript being a true and  
11 correct copy of my shorthand notes thereof; That  
12 the dismantling of the original transcript will  
13 void the reporter's certificate.

14 In witness thereof, I have subscribed my name  
15 this date: November 13, 2018.

16

17

18 \_\_\_\_\_  
LESLIE A. TODD, CSR, RPR

19 Certificate No. 5129

20 (The foregoing certification of  
21 this transcript does not apply to any  
22 reproduction of the same by any means,  
23 unless under the direct control and/or  
24 supervision of the certifying reporter.)

1 INSTRUCTIONS TO WITNESS

2 Please read your deposition over carefully and  
3 make any necessary corrections. You should state  
4 the reason in the appropriate space on the errata  
5 sheet for any corrections that are made.  
6 After doing so, please sign the errata sheet  
7 and date it.

8 You are signing same subject to the changes  
9 you have noted on the errata sheet, which will be  
10 attached to your deposition. It is imperative  
11 that you return the original errata sheet to the  
12 deposing attorney within thirty (30) days of  
13 receipt of the deposition transcript by you. If  
14 you fail to do so, the deposition transcript may  
15 be deemed to be accurate and may be used in court.

16

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2	E R R A T A
3	- - - - -
4	PAGE LINE CHANGE
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24	REASON: _____



1 ACKNOWLEDGMENT OF DEPONENT

2 I, \_\_\_\_\_, do hereby  
3 certify that I have read the foregoing pages, and  
4 that the same is a correct transcription of the  
5 answers given by me to the questions therein  
6 propounded, except for the corrections or changes  
7 in form or substance, if any, noted in the  
8 attached Errata Sheet.

9  
10 \_\_\_\_\_  
11 BLAINE M. SNIDER DATE

12  
13  
14 Subscribed and sworn to  
15 before me this  
16 \_\_\_\_\_day of \_\_\_\_\_, 20\_\_\_\_.

17 My commission expires: \_\_\_\_\_  
18 \_\_\_\_\_

19 Notary Public  
20  
21  
22  
23  
24